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* Unable to attend.

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PROCEEDINGS

OF

THE SUB-COMMITTEE,

PUBLIC SERVICE COMMISSION.

INDIA.

Accounts Department.

Section I.—Note by the Sub-Committee.

A general Department of Account under the Government of India was established by Lord Canning's Government, with the sanction of the Court of Directors, in December 1857 in substitution for the system of separate Account offices for each Presidency. The qualifications specially needed in the officers of the Department were stated to be, in addition to the ordinary acquirements of proficiency in book-keeping and the science of account, a knowledge of political economy in its application to this country and a practical acquaintance with the habits of the people and the working of the Revenue system of the country. Junior Civil Servants of not less than five years' standing were admissible on passing an examination in book-keeping, the working of the Revenue systems of their Presidencies, and the management of District Treasuries, and on being favorably reported on as regards aptitude for business by the Local Governments under which they might be employed. Once the Department was entered, officers were expected to remain in it for all their service, and were liable to transfer from Presidency to Presidency at intervals of not less than two years. Promotions were to be made with due regard to seniority and merit.

It was considered that it would be impossible to secure the services of fitting men from the Covenanted Civil Service unless some more than ordinary inducements were held out to them in the way of salary, and that the salary of no Covenanted officer should be less than ₹1,000.

The following figures show the scale of salaries then adopted with that previously in force:—

	Salaries previously in force.	Salaries adopted in 1858.	
	₹	₹	
Accountant General to the Government of India	3,500	3,500	
Ditto ditto Bombay	3,333	3,000	
Ditto ditto Madras	3,000	3,000	
Sub-Treasurer, Fort William	3,000	3,000	
Accountant to the Government of the North-Western Provinces	3,000	2,500	
Accountant to the Government of Bengal	3,000	2,500	
Civil Auditor for India and Bengal	2,500	2,500	
Sub-Treasurer at Madras	2,000	2,000	
Ditto Bombay	2,500	2,000	
Civil Auditor at Madras draws a consolidated salary of ₹26,000 per annum as Civil Auditor and Superintendent of Stamps.	2,166	2,000	
Civil Auditor at Bombay	2,000	2,000	
Accountant in the Punjab (Uncovenanted)	700	1,500	Covenanted.
Civil Auditor in the North-Western Provinces	1,500	1,500	
1st Assistant Accountant General to the Government of India	1,500	1,500	
Civil Auditor in the Punjab (Uncovenanted)	700	1,200	Covenanted.
1st Assistant Accountant General at Madras	1,250	1,200	
1st ditto at Bombay	1,250	1,200	
2nd ditto to the Government of India	1,000	1,000	
2nd ditto at Bombay (Covenanted)	850	800	Uncovenanted.
2nd ditto at Madras (ditto)	850	800	Ditto.
3rd ditto to the Government of India (Uncovenanted).	800	800	Ditto.
Assistant Sub-Treasurer, Fort William (Uncovenanted)	700	700	Ditto.
Assistant Civil Auditor, ditto (ditto)	700	700	Ditto.
Ditto, Bombay (ditto)	700	Abolished.	
* 3rd Assistant Accountant General, Madras	700	Ditto.	
* Assistant to Accountant, North-Western Provinces	200	Ditto.	
Total	43,399	40,900	
Deduct scale adopted	40,900		
Monthly saving	2,499		

* *Vide* Financial Resolution, dated 26th March 1858.

In this list there are an—

Accountant General to the Government of India,
Accountant General to the Government of Madras,
Accountant General to the Government of Bombay,

and an—

Accountant to the Government of Bengal,
Accountant to the Government of the North-Western Provinces,
Accountant to the Government of the Punjab,

and also Civil Auditors at the three Presidencies and in the North-Western Provinces and the Punjab.

In consequence of a recommendation of the Budget Committee of 1860-61, the Government of India, in a Resolution of 6th January 1861, observed that confusion would be avoided if the local Accountants retained their designations, together with the new title of Deputy Auditor, and accordingly directed that those officers should be styled Deputy Auditors and Accountants General.

In 1861 an Act of Parliament, 24 and 25 Vic., Cap. 54, was passed whereby certain specified offices, and all such offices which might thereafter be created, were reserved to the Covenanted Civil Servants of the Crown in India. Among these offices were specified those of Accountant General, Civil Auditor, and Sub-Treasurer. Appointments might be made to reserved offices under special circumstances from other services under certain limitations and qualifications, which need not now be referred to. This power has been exercised in the case of one officer of the Finance Department, as will be explained further on.

In 1862 modifications were made in the organization of the Department. Until a recent period returns and estimates of Indian Finance had been notoriously untrustworthy; and although it was believed that the recurrence of mistakes of magnitude was impossible, yet it was considered that the maintenance of the results attained in the Accounts Department was endangered by the difficulty of obtaining officers of the Covenanted Civil Service who were willing to abandon the regular line of service for the Financial Department, and of retaining those already in the Department without such frequent changes as necessarily greatly impair the efficiency of their offices; and the introduction of a new system of Audit Account and Budget Estimates made these considerations of special importance. The foundation of that system was stated to be that estimates of all receipts and expenditure should be framed with such care as to enable the Government of India to hold all disbursing authorities responsible for their observance; that accounts of all receipts and expenditure should be kept on a uniform system, so accurately and promptly as to enable the Government at any moment to know its real position and to check unauthorised outlay; and, finally, that the Financial Department proper or the Treasury should exercise a constant control and supervision over all estimates and expenditure. It was pointed out that in the Financial Department proper, corresponding to the English Treasury, there were only two situations below the Financial Secretary on salaries which admitted of their being held by Europeans; whereas in the English Treasury there were below the Secretary a permanent Assistant Secretary and five divisions, each presided over by a principal clerk, invariably a gentleman of great ability and experience, with a staff of four or five established clerks under him, recruited commonly from gentlemen of University education, liberally paid, and rising according to merit and seniority to the highest posts.

It was therefore considered necessary in reorganizing the Department to proceed upon the principle that all distinction between Covenanted and Uncovenanted Services should be set aside, except for a few of the very highest offices such as that of Financial Secretary, and that the salaries and constitution of the Department should be regulated with a sole view to efficiency, without distinction of service, profession, race, or religion.

The Financial Secretary was to be the head of the Financial Department, which was to include the Departments of Account and Audit. The Auditor and Accountant General of the Government of India was to be the head of those Departments, charged with the duty of bringing the accounts of the Empire together, and the Government was to look to him as responsible for the correct performance of the mechanical duties of Account and Audit as distinguished from administrative matters coming within the province of the Financial Secretary. The three Sub-Treasurerships were abolished as superfluous under an arrangement by which the custody of the cash, and the duty of making cash disbursements in the Presidency towns, were made over to the Presidency Banks. Excluding the two superior offices, the other employés were graded into two main divisions—

(1) Clerks doing routine and mechanical work.

(2) Assistants either doing, or in training for, the more important and responsible work.

The latter were to form one service, divided into four classes—

Class I—Salary of ₹1,500 rising by an increase of ₹100 after each year of service in the class to ₹2,000;

Class II—Salary of ₹1,000 rising similarly by annual increments of ₹75 to ₹1,500.

Class III—Salary of ₹700 rising to ₹1,000 by an increase of ₹50 after each year of service; and

Class IV—Salary of ₹400 rising by annual increments of ₹30 to ₹700.

The different offices in the Department were divided among these classes. The Deputy Auditors and Accountants General and the Civil Paymasters who had taken the place of Civil Auditors, consequent on the introduction of the post audit system of the three Presidencies and the North-Western Provinces, were assigned to the 1st, and of the Punjab and smaller Governments to the 2nd class. In addition to these classes, there was to be a class of apprentices on salaries not exceeding ₹250 of youths taken on trial, from which the established classes were to be principally recruited as vacancies occurred.

It was distinctly laid down that Government always retained the power of selecting men of higher standing and experience, and placing them at once in any of the higher classes when the public service required. Once placed in a class, they would rise as if they had entered at the bottom; but, as a general rule, after an adequate supply of young men had been trained in the lower grades, promotion was to take place according to merit and seniority.

The classes under the new organization, when fully carried out, were to contain five men in the 1st, eight in the 2nd, and nineteen in the 3rd class.

The office of Under-Secretary was to be retained on the footing of a Personal Assistant to the Financial Secretary outside the regular establishment.

In 1865, consequent on the amalgamation of the offices of Deputy Auditor and Accountant General and Civil Paymaster, and in lieu of them, there were established for Madras, for Bombay, for Bengal, for the North-Western Provinces, and for the Punjab an Accountant General and a Deputy Accountant General, and an Accountant General without a Deputy was retained for British Burma. A Deputy Accountant General, previously established for the Central Provinces and for the Hyderabad Assigned Districts, was to continue. Alterations were made in the numbers and pay of the classes. The 2nd class was to be reduced in number from 8 to 7. The pay of the 3rd class was to begin at ₹800 instead of ₹700, and was to contain only 5 officers. A 4th class was constituted on pay rising from ₹600 to ₹800 by an annual increment of ₹50, and was to contain 11 officers; and a 5th, rising similarly from ₹400 to ₹600, was to contain 24 officers.

In 1871, for the first time, a system was introduced of making appointments to the lowest class of the Department by a competitive examination among nominated candidates, three candidates being named for each vacancy. Previous to that time appointments had apparently been made by nomination, pure and simple, of outsiders or by promotions from the clerical grades. A limited supply of recruits had been also sent out from England. Departmental examinations were established by the same Resolution, failure to pass which within specified periods involved the removal of an officer from the Department. In the Resolution (dated 18th December 1871) which laid down the rules for examinations, it was stated that nothing in it was to be understood as limiting the powers which Government had throughout specially retained of appointing gentlemen not in the Department to any office in any class of the Department when the interest of the public service might require it: "The Government," it was added, "will always appoint an officer belonging to the Department to a vacancy, if there is such an officer of sufficient standing and experience and qualified for the office in every respect. But it must be emphatically understood that the officers in the classified list have no monopoly of the departmental service other than that which the opportunities of their position, diligently improved, may secure to them. The first consideration, when a vacancy occurs in the Department, will always be the efficiency of the public service; and no claim on the part of the officers of the Department will ever be allowed to stand in the way of the enlistment in the higher offices of the Department, of officers of the Covenanted Civil Service, or even of gentlemen not in the service of Government at all, whenever it is thought that the public interests require or will be promoted by such enlistment."

In 1876 a question arose on the memorials of certain Enrolled officers respecting the appointment to the Department of an officer of the Covenanted Civil Service on higher salary than would have been allowed by the departmental scale; and a Resolution on the subject, dated 12th April 1876, concluded with the following paragraph: "In order to make the future policy of the Government in this respect clear and obviate misunderstandings, His Excellency in Council deems it proper to declare that the Government of India must hold itself free, not only to appoint to any office in the Finance Department any one not an Enrolled officer of the Department whose appointment is considered necessary in the public interest, but also to offer to the person selected for such appointment such remuneration as may be required in order to secure his services. The Government will not use this liberty without sufficient cause or without careful regard to the claims and interests of the Enrolled officers of the Department; but the Government cannot allow them to challenge the exercise of its discretion."

On the 14th of April of the same year the Government of India sent a Despatch to the Secretary of State pointing out that although there might be some doubt whether the Act 24 and 25 Vic., Cap. 54, was designed to reserve for the Covenanted Civil Service the office of Accountant General as then constituted, or whether it was intended to reserve only the office now known as Comptroller General, yet that, until the doubt was cleared up, it did not feel at liberty to appoint an officer not in the Covenanted Civil Service to any of the five Accountant Generalships of Madras, Bombay, Bengal, North-Western Provinces, and the Punjab otherwise than by the special procedure provided by the Statute. This difficulty, it was added, appeared to have been overlooked by Lord Elgin's Government, when the office of Accountant General was, under the title of Deputy Auditor and Accountant General, thrown open to the

officers of the Department then constituted, whether Covenanted or Uncovenanted; and as on the retirement of the Covenanted officers then in the Department it would become necessary to appoint to the office of Accountant General Uncovenanted officers who would alone possess the necessary training, the Government of India recommended the omission of these offices from the Schedule of a Government of India Bill at that time under consideration. It did not advise the insertion of the office of Comptroller General, as it appeared undesirable that the Government should be in any way fettered in its choice of the person it might consider best qualified for that office, whether in the Covenanted Civil Service or not.

In September of the same year the Government of India forwarded to the Secretary of State certain memorials of members of the Bengal Covenanted Civil Service, setting forth an alleged statutory claim to the offices of Accountant General, Civil Auditor, and Sub-Treasurer.

Reiterating its view of the law given in the Despatch quoted in the previous paragraph, the Government wrote that it entertained no serious doubt that it was the intention of the Statute that the chief offices in the Department should ordinarily be filled by officers of the Covenanted Civil Service, and that the constitution of the Department in 1862 did contravene this intention, but that it was accompanied by a large reduction in the emoluments of the offices of the preferential claim to which the Covenanted Civil Service had been deprived. Only one Covenanted officer had been admitted to the Department since 1862, and the Government felt obliged to promise him the emoluments enjoyed by Covenanted officers it already had in the Department. The Government felt unable to suggest any method of retracing the step taken in 1862 without a considerable increase to the cost of the Department, and a manifest breach of faith to those officers admitted to the Department under the Resolution of 1862 and the various later orders. It did not consider it necessary to reserve any of the offices permanently for the Civil Service, because it considered that they might be filled more economically and with equal, or at least with sufficient, efficiency by a separate organization such as now exists, and it adhered to the request that the office of Accountant General might be omitted from the Schedule of offices reserved for the Covenanted Civil Service in a Bill which was understood to be under the consideration of the Secretary of State.

These views did not commend themselves to the Secretary of State, who, after reviewing the constitution of the Department, wrote as follows: "There is obviously at present no certainty that when a vacancy in the higher Financial offices occurs, it can be adequately filled from the officers of the Department; and an instance to the contrary occurred in the year 1873, when a Covenanted Civil Servant was appointed to the 2nd class without going through either of the lower classes, receiving at once the maximum salary of the 2nd class." He pointed out that the administrative business of Finance was of a different nature, and required very different qualifications from the duties of accounting. An efficient Financial officer must have a thorough knowledge of accounts as well, but there was much of this work of keeping accounts that might well be performed by officers and clerks who would not be likely to become efficient financiers. If this distinction be borne in mind, the Secretary of State thought that an arrangement might be made under which members of the Covenanted Civil Service should be employed in the Department in a manner that should secure the provision of recruits for the higher Financial posts wholly from that service possessed of the requisite technical knowledge of accounts; while the less important, but more special, duties of the Account branch might be supplied by the Uncovenanted Service, many of whom should be Natives of India. Young Civilians admitted to the Department should have previously acquired a competent knowledge of the general administrative business of the country, and have satisfied the Government of their fitness for Financial work. The object of securing a succession of thoroughly trained officers was, in the opinion of the Secretary of State, of such paramount importance that he would be prepared to sanction any reasonable additional charge considered necessary for this purpose; and in the proposed arrangement due regard was to be paid to the first claims of those officers who had already entered the Department; but fresh nominations were to be made subject to future changes.

Discussions of these proposals lasted over several years, which ended in a Resolution of the Government of India of the 4th of November 1880, constituting the Department on its present basis, and giving the reasons for the changes made. Experience, it was stated, had shown that the work of the Department could not be done with less than 46 officers; but it was considered that efficiency would be promoted, and that there would be some saving of expense by the substitution of eleven superior Ministerial officers, of whom seven would be entitled Chief Clerks, for eleven of the Enrolled officers. The appointment of a Chief Clerk was to be gazetted, and he might sign letters or discharge any other duties assigned to him by the head of the office. It was finally decided to remove from the list of Enrolled officers the five Accountant Generalships for Madras, Bombay, Bengal, the North-Western Provinces and Oudh, and the Punjab, which five offices were henceforth to be treated as reserved by Statute to be filled ordinarily by members of the Covenanted Civil Service. As a general rule, no one, not a Covenanted Civil Servant, was to be admitted without the sanction of the Secretary of State to the Enrolled list otherwise than as a probationer after passing an examination; but the Government of India reserved to itself a free discretion to appoint any person to be an Enrolled officer whom it might deem it to be for the interest of the public service so to appoint. The number of Enrolled officers was fixed at thirty with eight probationers. In order that there might be a supply of officers qualified by practical experience to succeed to the office of Accountant General, at least 3 of the 31 Enrolled officers actually present on duty were to be as a rule Covenanted Civilians, *viz.*, one in the 2nd, one in the 3rd, and one in the 4th class; and

vacancies caused by the transfer or promotion of such officers were to be filled by Covenanted Civilians. It was not intended that such officers should pass their whole life in the Department. These officers and the Under-Secretary, Financial Department, were to be considered to have had a training qualifying them to succeed to vacancies in the seven higher offices—that is, Financial Secretary, Comptroller General, and five Accountants General. It was stated that the Government of India would at any time make such changes as it might think expedient in the organization then announced, and that the Resolution was not to be regarded in any sense as a legal or moral contract which the Government was not at liberty to vary without the consent of the officers of the Department. The title of the Comptroller was substituted for that of "Deputy Accountant General in independent charge" to designate the Chief Civil Account officer in the minor Administrations. In 1883, in consequence of the establishment of a system of appropriation audit, the appointment of two additional Deputy Comptrollers General, and a corresponding increase in the number of officers in the 1st class, were sanctioned. The number of Chief Clerks has since 1880 been increased to twelve, mainly by the transfer to that grade of some of the senior appointments in the various offices.

Organization of the Department in March 1887.

Excluding the Financial Secretary and Under-Secretary to the Government of India, the total number of officers holding superior appointments on salaries of ₹400 and upwards is 47. At the head of these is the Comptroller General, salary ₹3,500. Then come five Accountants General, divided into three classes, with salaries of ₹2,250, ₹2,500, and ₹2,750. Two of them, those on duty at Calcutta and Bombay, receive besides a local allowance of ₹250.

Below the Accountant General are the Enrolled officers, 38 in number (of whom 5 are said to be supernumeraries), and 4 probationers, divided into six classes, with the following scale of pay:—

	Officers.	₹		₹
1st Class	4	1,750	rising to	2,000
2nd „	5	1,250	„	1,500
3rd „	6	1,000	„	1,250
4th „	8	800	„	1,000
5th „	6	600	„	800
6th „	9	400	„	600
Probationers	4	200	„	300

The Comptroller General and all the Accountants General are non-domiciled Europeans, and all belong to the Covenanted Civil Service, except one Accountant General, who was appointed to the office by the special procedure prescribed by Section 3 of the Statute 24 and 25 Vic., Cap. 54. In the different classes of Enrolled officers, there are 23 Europeans not domiciled in India, of whom 4 are Covenanted Civilians, 8 Europeans so domiciled, 3 Eurasians, 2 Hindus, 1 Burman, and 1 Parsi. Of the probationers, 2 are non-domiciled Europeans and 2 are Hindus. One consequence of the reduction in 1880 of the scale of Enrolled officers to 30 was that the numbers in excess of the scale already on the list were treated as supernumeraries, and had to be absorbed as vacancies occurred. This prevented recruitment for the Enrolled grades for a considerable period; otherwise the number of Natives of unmixed descent would, under the rules for recruitment, be larger than it is. The four Natives on the list were appointed direct to the Department, being carefully chosen either for academical distinction or other special qualifications.

Admission to the grade of Enrolled Officers.

Covenanted officers are selected by the Government of India. All others are nominated, and must pass a competitive examination, at which there must not be less than three nominees for each vacancy. The candidate, when examined, must not be over 25 years of age, and must produce a medical certificate of physical fitness for service in the plains. At every third examination the nominees are to be Natives of India of unmixed descent. The subjects of examination are—

Writing and Composition.
Arithmetic.
Algebra to Quadratic Equations inclusive.
Latin, Greek, Sanskrit, French, German, or Persian.
English History and Literature and Indian History.
Chemistry.
Geography—Asia, especially India, and Europe.

No candidate is considered to have passed who obtains less than 600 marks in all out of a total of 1,250, or less than half marks in Arithmetic and Algebra; and no candidate is allowed to compete at the Entrance examinations more than twice. Successful candidates are appointed as probationers on a salary of ₹200. On passing the lower departmental examination, they receive ₹250, and on passing the higher departmental examination ₹300. They are promoted from the probationer grade to the Enrolled list as vacancies occur, and rise in that list by seniority and merit. Below the Enrolled list come the superior officers of the subordinate Accounts Service, styled Chief Superintendents, divided into five grades, on pay rising from ₹400 to a maximum of ₹800. There are twelve of these officers on the establishment at present, of whom 3 are Europeans not domiciled in India, 1 is a domiciled European,

5 are Eurasians, and 3 are Hindus. The Chief Superintendents are for the most part officers selected from the subordinate staff for exceptional qualifications. Their duties and pay are much the same as those of the lower grades in the Enrolled list. The Government does not confine its selection of Chief Superintendents to the subordinate Accounts Department; but as a fact only one has been appointed for six years who did not serve for some time in that branch.

The subordinate Accounts Service consists of all employés below Chief Superintendents receiving a salary of R30 and upwards. It was established because, under the old system which allowed men to rise from the lowest paid clerical appointments, it was found that there was a danger of responsible offices being filled in course of seniority by men who had outlived their energy. The establishment of the separate service secures a higher stamp of men than could otherwise be obtained for the lower appointments. They are not all on one graded list, but belong each to one office list, and are on that office list for promotion. Each Accountant General selects his own men, subject to the assent of the Comptroller General to each nomination. The appointments are made locally, and the men appointed are not ordinarily liable to transfer. The nationalities of officers holding appointments carrying salaries ranging from R100 to R400 are as follows :—

Non-domiciled Europeans	6
Domiciled Europeans	14
Eurasians	40
Hindus	89
Mahomedans	1
Other Natives of India	3

Abstract of evidence respecting the existing organization of the Department, its technical requirements, and the results of local experience as to the comparative value of the services rendered by persons of various classes now employed in it.

Mr. J. Westland, Comptroller General, acting Financial Secretary to the Government of India, entered the Civil Service in 1862, and was engaged in district work, during which he held charge of a district for two years till 1870. Subsequently he filled various offices in the Accounts Department, and was appointed Comptroller General in 1880. He has since acted on different occasions as Financial Secretary; has given evidence before a Parliamentary Committee on Indian Finance, and held temporary charge of the accounts of Egypt. In giving evidence respecting the organization of the Department in 1862 already described, Mr. Westland pointed out the following considerations bearing on the employment of Covenanted Civilians in the Department.

The system of 1862 contemplated little more than a Clerical Accounts Establishment, and, as a matter of fact, the Department was largely recruited under it from men who had been in the clerical grades, some of whom were unfit for any higher class of work. At the time of its constitution and for some years afterwards, the Covenanted Civilians in the Department continued to fill the highest offices on the old scale of pay, and the new organization was to take effect only as these men passed out by seniority. The salaries attached to the offices under the scale of 1862 were not sufficient to induce Covenanted Civilians to join the Department, and had it remained unaltered, the Department would have consisted entirely of Uncovenanted officers. In 1873 the question of introducing Covenanted Civilians into the Department arose in consequence of the commencing retirements of Covenanted officers who had been in it before 1862. In the interval a reformed system of accounts had been introduced, and the functions of the Accounts Department had become very much more important by reason of the introduction of the Provincial Services scheme, and by reason of the general expansion of the administrative business of the Government of India. Under the new system it became necessary for the Accounts Department to undertake the general business of Finance; and the Accountants General became the Financial advisers of the Local Governments, who had separate Accounts and a separate Financial administration in a sense that was not in any way applicable to the system of administration prevailing in 1862. The Department became part and parcel of the ordinary administration instead of a merely clerical department outside it. For this work the men in the Department were considered for the most part unfit; the older ones because their capacity was little more than clerical, and the younger ones because they were not yet qualified by standing and experience for responsible posts. Covenanted Civilians were accordingly introduced into the Department for these reasons.

The remainder of Mr. Westland's evidence on the point is a recital of the facts already given in the sketch of the organization of the Department. His personal opinion, based on his experience as Accountant General and Comptroller General, is that the higher offices in the Department ought, as a rule, to be reserved for Covenanted Civilians, exceptions being made in favour of one or two men of conspicuous merit among the Enrolled officers, who, however, if admitted, should be looked upon by the other branches of the administration as persons whose personal fitness and not merely seniority of standing had entitled them to a position which has the prestige of being a reserved appointment. His reasons for this opinion are—

(1) The Accounts Department should not be on an inferior footing to other branches of the administration whose principal offices are filled by Covenanted Civilians; and this is essentially necessary in consequence of the perpetual close relations

which the Accountant General as one of its Financial advisers holds with the Government, and his constant communications with heads of Departments and high officers of Government generally.

(2) An intimate knowledge of the executive administration of the country and a personal experience of one's own relation to it are highly important qualifications in an Accountant General. Mr. Westland considers 8 or 10 years of actual district work to be of much more value as a training for any responsible administrative office than a whole life-time spent in looking at it from an outside point of view, which is alone available to a subordinate in an Accounts office.

(3) The exercise of the large patronage attached to the office of Accountant General will command greater confidence if in the hands of an officer belonging to a distinct and independent service.

(4) The close and intimate relations with the mercantile and banking public necessary in many of the higher offices are greatly smoothed over by the fact of the officers who hold them being known to belong to the Covenanted Civil Service. This Mr. Westland has found to be the case from his personal experience.

(5) Local Governments prefer to deal with an officer who belongs to the same service as their own officials to dealing with a man who, during the whole of his service, has been an outsider, so far as the local Administration is concerned.

The witness is of opinion that a certain number of appointments in the Enrolled grades should be reserved to train Civilians for the higher appointments, and because that training would be found useful in other branches of the administration under Local Governments. It is not necessary that men should be kept in the Accounts branch until an Accountant Generalship falls vacant. They could be recalled from the general line, if necessary, when an occasion arises for their service and experience in the Department. He thinks that the Government will obtain better Accountants General if it has the pick of half-a-dozen men who have passed through this course back into the regular line than if, by keeping on the men it happens to get, it finally, after a long term, employs them as Accountants General. He would not keep men in the higher appointments of the Enrolled list unless they were of such a standing that they would ordinarily be acting as Accountant General and revert only for short periods, for which it would not be worth while to send them back. He doubts if by that sort of service the training wanted is obtained; and as that training is the sole object of bringing men into the Enrolled list, the appointments should not be taken away from the Uncovenanted members when this is not necessary for the training.

Mr. Westland disapproves of the present system of recruitment for the Enrolled grade. It is a system of nomination without the responsibilities of nomination, and under it it is a mere chance whether a good or a bad man is obtained. It does not give men who can be regarded as in any way selected. For Europeans trained in Europe, he would recommend recruitment, as in other technical Departments, through the Secretary of State, as far better men could be thus obtained than by nomination in India. For Anglo-Indians, Eurasians, and Natives proper some process analogous to selection from the Chief Superintendents might be tried. The total strength of the Enrolled list might be reduced to 34. To some of the offices assigned to it, it would be necessary to appoint Europeans as in the Currency office and Pay offices at Bombay and Calcutta, on account of the inevitable dealings in the former with bankers and men of business, and in the latter with the constant flow of officers who come to have their papers made up and their allowances set forth. A Native will not bear the personal responsibility of going out of routine, and will be apt to break down when urgent work must be done. One Native did very well in such employment; but he was altogether an exceptional man, and no system of recruitment would bring half-a-dozen Natives equal to him into the Department. A Native is not equal to a man bred and trained in European ways in the work of organization and management of a large office. A Native Superintendent can rarely get over the fact that he belongs rather to the side of the clerks than of the masters. You cannot trust him to the same extent to work his clerks, and the work is not so efficiently turned out as under a European. These remarks are subject to exceptions. The witness has known Native Superintendents whom he could trust as absolutely as he could trust a European; but on the average Europeans are better Superintendents. They are much more ready to bear personal responsibility; they are more widely separated from the class of men whom it is their duty to look after; and they feel themselves free from any fear of unpleasantness if they apply pressure to their subordinates. Some of the 34 appointments might be filled by Natives, but not one-third or anything approaching one-third could be so filled with any advantage to the public service. Banks, whose work is most analogous to that of the Department, find it best to recruit for their principal offices from the European element, and the average of competence being higher in that class than in Natives, there is less risk of failure in recruiting from them, if the methods of selection do not render it possible to pick out competent Natives. Of the four Natives in the Enrolled list, one is from bad health or other reasons useless. He is a Master of Arts, and did not get in by competition; another of the four is capable of doing anything as well as a European—a man whom the witness would have no objection to put into one of the appointments for which he considers a European necessary. He has a high opinion of Native Masters of Arts as a rule, and has given Superintendentships to two or three of them after a very short probation, and has certainly thereby added to the strength of his office. Besides

Superintendents, Mr. Westland would like occasionally to bring in some Native Treasury Deputy Collectors. As a class, they are very excellent men, and have had an opportunity in their ordinary service of showing their fitness for the kind of work which the Department has to give them. They would be admissible, but not necessarily, to the lower appointments. Training in District offices is as necessary as training in an Account office. There are no special mysteries in the Account offices, and no special art by the acquisition of which men become capable of accomplishing tasks as "trained accountants," which are mysteries to the rest of the world. It is more a matter of test for a certain class of work, and the cultivation of habits of method and precision. A certain amount of technical knowledge is necessary, but the main qualification of a competent officer in the Department is that he should have an intimate acquaintance with a vast amount of detail of procedure, so as to know at every moment the relation to the rest of the work of the particular piece of work which he has himself in hand. All this has to be gathered by experience and practice, the amount of which depends upon the personal tasks of the individual. Mr Westland thinks that a good Treasury Deputy Collector in all probability is so because he possesses the test and qualifications which would render him an efficient officer in the Accounts Department.

On the question of whether officers in the Enrolled list have reason to complain of a breach of faith in the appointment of Civilians as Accountants General, the witness gives his opinion and the reasons for it at length, for which his evidence may be referred to.

Mr. Westland does not think that the number of separate grades in the Department can be reduced, the whole system of the work being built upon the plan of gradations of responsibility, and the amount of work to be got through being so vast in quantity that it would be very expensive if a beginning were not made at the lowest stage by separating off the large quantity of it that is purely mechanical, and giving it to low-paid clerks, whose work is supervised and guided by more highly paid men. These have to add to this their own more responsible duties, and so on through several gradations. A table illustrating this is given in Mr. Westland's evidence, and a sketch is added of the system of work in Account offices to justify the apparent elaboration of the organization.

The opinions of Mr. Gay, the acting Comptroller General, are conveyed in a note with which he has favored the Sub-Committee. Being the Departmental member of the Sub-Committee during its sittings at Calcutta, he was not examined as a witness. Mr. Gay, who was recruited in England, entered the Department in 1865, and was, with the sanction of the Secretary of State, appointed as Accountant General under Section 3 of the Statute 24 and 25 Vic., Cap. 54. He considers that the most important question for the future is whether Covenanted Civilians are required to fill the whole or a part of the higher appointments. It is his opinion that the Department should not be allowed to drift entirely away from the Covenanted Civil Service, and that a better scale of pay should be given in order to attract officers of the Covenanted Civil Service to enter the Department and to remain in it. He objects to the present system of recruitment, first, because it must give rise to aggravated discontent among the other officers when they find themselves excluded from the higher offices by men associated with them in doing the same work; and, secondly, because the present pay would attract a better average man, if the recruitment were made in England, than can be expected from a competition among those men who have thought it worth while to come from England on the chance of success, or who are out of employment in India. The scale of pay is also unnecessarily high for a general service of Natives of the country. Men of the best education can be obtained for a salary of ₹100, and a prospect of promotion by merit with prizes in the future. Mr. Gay thinks that there is a positive advantage in not making the initial pay too attractive. The taste and talent for accounts are, in his opinion, peculiar, and no examination in school work will test them. It is better to begin for a short time with a salary below the candidate's abilities. If he succeeds, let promotion follow quickly; if he fails, let there be no temptation to prevent his seeking more congenial duties elsewhere. He would cease appointing Uncovenanted officers to the Enrolled list. As vacancies occur, he would add to the classes of Chief Superintendent or the subordinate Accounts Service. He thinks that about 19 appointments and 4 probationerships now on the Enrolled list might be officered from those classes; and as it would take many years to reduce the Enrolled list to this extent, he thinks further suggestions useless. One change as regards Covenanted Civilians might be made at once. Officers of 5 years' standing should be considered to be on probation. If, at the end of that time, they choose to remain in the Department, and are considered suitable, they should be guaranteed pay equal to what men of their standing draw in the general line, but should have no option of reverting to it. One Accountant Generalship might be guaranteed to the Uncovenanted employés, provided that there was one qualified within the meaning of the Statute. There is a difference between an occasional irregular appointment and a recognition of the general fitness of efficient Enrolled officers to hold such a position in their turn. As regards the employment of Natives, if the Enrolled list is preserved on its present footing, the prescribed proportion of Natives to Europeans need not at present be changed. There are some appointments in the Department for which the greater firmness of the European character and a knowledge of European habits are specially desirable. But for ordinary account work, the choice between European and Native may follow generally rules made for other Departments. A due proportion of Natives will always be found among Chief Superintendents and the subordinate Accounts Service.

Mr. E. T. Atkinson, C.S., Accountant General, Bengal, came to India in the Covenanted Civil Service in 1863, and entered the Department, in which he has since served as Accountant General of the North-Western Provices, in 1877. He distinguishes between the two functions of the Department—Finance and Accounts. With the first only the head of the office has to do. The second is an entirely mechanical business, sharply defined by codes not difficult to understand. The duties are not above persons of ordinary capacity, industry, and education, such as undertake similar duties in mercantile houses and banks. For Financial administration and giving efficient aid to Government as Financial adviser, considerable education and extra departmental experience are required. These functions Covenanted Civilians are at present in a better position to perform than other men. The witness found his 15 years in the general line of the greatest possible assistance, and also that the fact of his being a Covenanted Civilian had prevented friction on many occasions. The importance of the office of Accountant General as an adviser to Local Governments in the administration of Provincial Funds entrusted to them under the decentralization scheme of Lord Mayo's Government has grown very much, and considerable administrative experience is desirable in an Accountant General who has also to advise the Local Government in regard to Treasury establishments, and every other financial question. The theoretical and practical knowledge of accounts indispensable for the office of Accountant General can be thoroughly mastered by any man of decent capacity in 8 or 12 months. There is no reason why an Uncovenanted civilian, who has sufficient acquaintance with the details of other Departments, and is of fair capacity, should not be as efficient an Accountant General as a Covenanted Civilian. It is not because he is Covenanted or Uncovenanted, European or Native, or that he only began in the subordinate Accounts Department, that he should not succeed.

The present system of recruitment for the Enrolled list is not satisfactory, and the general result is worse than it ought to be. The young men selected are deficient in education, in habits of industry, application, and self-denial for the sake of getting a thorough mastery of their work; and there is nothing in the working of the Department which obliges them, when once admitted, to acquire those habits. Accountants General have not sufficient control over them, and are not consulted as to their promotion, so that the officers of the Enrolled list do not look for that purpose to the good opinion of the Accountant General under whom they serve. The want of industry results in a general want of interest in the work, and the perfunctory manner in which it is done. A larger proportion of the Enrolled officers exhibit these characteristics than ought to be the case under a good system. They do not show the same capacity or power for overwork as Covenanted Civilians. Nor is it to be expected. A man who has gone through the Civil Service examination has obtained a power of steady application, the result of practice, and a broadness of view and *esprit de corps* seldom possessed by the others. There is no particular difference between domiciled Europeans and Eurasians and the men educated in England among the Enrolled officers. Some of the latter are the worst in the Department. There are too few Natives among the Enrolled officers to afford materials for a judgment on them as a class; but among the Superintendents, who are the backbone of the office, ten are Hindus, and do their work quite as well as the Europeans. For the present system of recruitment, Mr. Atkinson would substitute the promotion of men from the subordinate branch, the introduction of Deputy Collectors who have been in charge of Treasuries, and specially qualified men from outside with some better safeguards than at present.

Mr. A. Cotterell Tupp, C.S., Accountant General, North-Western Provinces, was not examined as a witness, being the Departmental member during the sittings at Allahabad, but favored the Sub-Committee with copies of a note on the officering of the Department, from which the following opinions are extracted:

Mr. Tupp entered the Civil Service in 1862, and joined the Finance Department, in which he has since served, in November 1878. He would largely reduce the number of European officers in the Department, and fill up vacancies by admitting Natives of India to the lower grades. He writes: "We have already in our Accounts offices a class of officers called Chief Superintendents, who are the backbone of these offices; they are selected for merit from among the Superintendents, and it is so essential that they should be men of ability and energy that very little favoritism is shown in their selection; they are almost entirely Natives or Eurasians, and are fit for any work below the grade of Deputy Accountant General; indeed it is upon them and not on his European Assistants that an Accountant General now depends for the carrying out of any really difficult task * * * *." "Besides the Chief Superintendents, there are in each large Accounts office 10 or 12 Superintendents, most of whom are quite fit to do the work of an Assistant Accountant General. From this large class we could at once recruit the 40 Native and Eurasian Assistants we require, and I would make Europeans, unless domiciled, ineligible for these appointments. They have hitherto, since 1862 (?), been appointed by nomination after a limited competition (which has been very nominal), and they have not been a success. A few good officers have entered in this way, but the majority are of very average ability and industry, and do not do their work in any way better than Natives of India, while they cost much more. On the other hand, a few are much worse and more useless than Native officers would ever be, for the Natives would be turned out, whereas the Europeans are allowed to remain out of pity for the fate that would befall them if they were dismissed." Mr. Tupp would reserve the offices of Accountant General, Deputy Accountant General, Deputy Auditor General and Comptroller

for Covenanted Civilians who had been trained in the Department, and three Assistantships for affording such training. All other appointments he would reserve for Statutory Natives of India.

Mr. R. Logan, C.S., Under-Secretary to the Government of India, Deputy Accountant General, North-Western Provinces, and under orders to take up the Accountant Generalship of the Punjab, was examined at Allahabad. He had served 9½ years in the Central Provinces, where he was acting as Deputy Commissioner, when he was selected in 1880 for the Financial Department, in which he has since served and held various appointments. He considers that the appointment of Accountant General should be filled by a member of the Covenanted Civil Service for much the same reasons as are given by Messrs. Westland and Atkinson, arising out of the relations of the office with the Local Governments and heads of Departments. He points out that the Accountant General is a check on the Local Governments as well as their Financial adviser, and that very delicate personal questions, in which much pressure has to be resisted respecting salary, leave allowances, pension, and the like, must be decided by an Accountant General. As regards the recruitment for the Enrolled list, Mr. Logan thinks that as good men are not obtained as might be expected, considering that they can rise to a salary of R2,000. The young men now recruited here are not equal to the men obtained from England for the Education, Forest, and Telegraph Departments, in which the prospects are not nearly so good. They are not better than those recruited for the Police, in which service the prospects are not to be compared with those of the Accounts Department. He would nominate for all appointments in the Enrolled list carrying a salary of less than R1,000 from the subordinate Accounts Service or from Natives among the Chief Superintendents, with a certain proportion from the Covenanted Civil Service. He would also be glad to see the Enrolled list recruited to a certain extent by men brought out straight from England, and a few selected Treasury Officers put in on probation. He considers that these last have a training which would specially fit them for certain duties in the Department which men on the Enrolled list are not likely to possess. The domiciled Europeans and Eurasians on the Enrolled list are on an average better educated than, and Mr. Logan prefers them to, the men from England appointed out here by limited competition. One of the most useful men in the Enrolled list belongs to the class of domiciled Europeans. He would admit more Natives and Statutory Natives to that list, or by another arrangement remove from it a considerable number of the offices now reserved for it and throw them open more freely to Natives. He is not prepared to say in what proportion, but would be inclined to give them one-half. Judging from the way in which some Natives have worked, he thinks that they would do well in the higher departments in which they had not been yet tried. He considers that training in the Enrolled list is ordinarily essential for Civilians appointed to the higher offices, though he points to some conspicuous instances of success where this has been wanting, and draws attention to the fact that young Civilians in the general line have to pass very severe examinations in Treasury accounts and procedure, and very frequently turn out very good Treasury Officers—a training undeniably useful.

Mr. Logan was also, as Accountant General of the Punjab, Departmental Member of the Sub-Committee during its sittings at Lahore, and, at the request of the President, prepared a note, which will be found among the printed proceedings in Section IV, in answer to an allegation that, under the recent reorganization of the Accounts Department, the salaries of the Uncovenanted officers had been reduced in order to provide higher pay for the Covenanted officers. He expressed an opinion that if, as Mr. Gay suggested, one Accountant Generalship were to be ordinarily held by an Uncovenanted officer, one at least of the appointments in the 1st class hitherto closed to that service should be held by a Covenanted Civilian. The Deputy Comptroller Generalship—one of these appointments—should, in his opinion, be held by a Civilian with a view to his acquiring a knowledge of the Comptroller General's duties, which would be of the utmost value if he ever became Comptroller General—an appointment that would probably be always held under ordinary circumstances by a Covenanted Civilian.

Mr. E. W. Kellner, Deputy Comptroller General and senior officer on the Enrolled list, was born and educated in India, and entered the Department at the age of 17 as a Treasury clerk on a salary of R30. He has acted several times as Accountant General for short periods. He objects to the reservation of the Accountant Generalships for Covenanted Civilians, and thinks that, in making such reservation, the Government has misinterpreted the Statute. He also considers that the training which Civilians undergo in the Department is not sufficient to enable them to fill efficiently the position of Accountant General, as they are tempted away from the lower grades of the Department by higher pay and prospects elsewhere. He thinks that the Department benefits by the admission of Covenanted Civilians, but that they ought to undergo more training than they do, not only to enable them to perform the duties of the higher appointments, but to train the junior officers. He objects to their being brought in at once to fill the best paid appointments, while Uncovenanted officers are required to undergo a training in the lower grades. It takes some time to acquire the necessary experience, and Covenanted Civilians are employed to control men of ability, whose departmental experience is much greater, and the system is likely to produce discontent and very seriously to lower the efficiency of the Department. At the same time the admission of Covenanted Civilians secures men of a high standard of education and acquainted with the general administration; and their district experience is useful in many ways. The present system of recruitment for the Enrolled list has not proved always satisfactory. It has given men occasionally who were not

suited to the Department, and have not turned out satisfactory Financial officers. If men educated in England are required, they should be appointed by the Secretary of State and not in India; but there should be a larger opportunity given to men educated in India to compete for these appointments. Many men of the Uncovenanted Service enumerated by the witness have distinguished themselves in high Financial offices both in and out of India.

The arrangements for the admission of Natives are satisfactory, and the present scale of one-third might stand. It cannot safely be increased, as many of the duties of the Department can be better discharged by European officers as a class. There are, for instance, arrangements with banks for the transfer of funds, criticisms of the accounts of European officers, and the like. Exceptional Natives may, and have been found to, discharge such duties efficiently; but the Native officers obtainable for the Department cannot be assumed to have, as a class, the necessary qualifications; also Natives would be more reluctant to move, if required to do so on short notice, than Europeans. For the appointment of officers in India, Mr. Kellner would prefer to open competition a system of nomination and competition combined as affording a better guarantee of character, respectability, and position. He has also favored the Sub-Committee with a note on the present leave and pension rules for the Uncovenanted Service, in which he advocates changes in the direction of greater liberality. The note will be found printed at length in Section IV, and need not be summarized here.

Mr. C. R. C. Kiernander, Enrolled officer, 1st class, Deputy Auditor General—born in India, educated in England, returned to India at 16 years of age—was appointed to the subordinate service in 1854, and to the Enrolled list in 1864. He has held the office of Accountant General in Burma, the Punjab, in Bengal for ten months before the reorganization of the Department, and of Comptroller in the Central Provinces, and no friction ever occurred between him and the Executive officers of other Departments. It is advisable that the Department should contain a leaven of Covenanted Civilians, if it is to maintain its status; and if this be recognized, certain appointments in the Enrolled list must be kept as a training ground for Covenanted officers. There is no objection to appointing them Accountants General; but these appointments need not be reserved for them. The present system of recruitment for the Enrolled list is unsatisfactory, and has not been hitherto very successful, as the men have not had an opportunity of learning their work. Mr. Kiernander would recruit for the Enrolled list from the subordinate service, which plan, he believes, would also bring a better class of men into that service. He knows domiciled European and Eurasian families who feel it a grievance that a fair share of the appointments has not fallen to men of their class. They have not sufficient interest with those in power to procure nominations, and their claims have been set aside in favor of Europeans not domiciled in India and of Natives of pure Asiatic descent. He considers that among these classes there is an adequate supply of material for efficiently recruiting the Enrolled list. For the subordinate service, following the system obtaining for appointments in the Subordinate Judicial Service, he would have candidates selected by the Comptroller General and Accountant General in the first instance, and then examined. There would be no scarcity of candidates; there should be no minimum (maximum) of candidates, but there should be a minimum of marks.

Mr. J. E. Cooke, Deputy Accountant General, Bengal, and senior officer of the 2nd class of the Enrolled list, was admitted to the Department on the 1st October 1863. He has been an Assistant Secretary in the Financial Department and Deputy Auditor General, and has several times officiated as Accountant General for short terms. He considers that, unless an officer is a capable Accountant, he is of no real use in the Department, and that the public service is receiving serious injury from the way Covenanted Civilians are being put in as high Accounts officers when they are not Accountants, and from the way real Accounts officers are kept out of the wages due to their capacity and work by this arrangement in the interest of the Covenanted men. Outside experience is no doubt valuable, but it is of little value in the absence of a thorough knowledge of accounts and audit, and it is one which can be very fairly acquired by Accounts officers by continually dealing with the questions that come before them, and would be acquired with even more facility if the practice of inspection of treasuries by those officers were reverted to. It is also impossible for junior officers of the Department who are under Covenanted Civilians to be trained in the efficient way they would be if they were under officers who possessed the practical knowledge which in witness' opinion is requisite. Covenanted Civilians did, and do, acquire a good deal of general knowledge of the work, but are unable to reach the main portions of it in default of a thorough knowledge of accounts and of the duties. For admission to the Enrolled list the test is much too low, and there is uncertainty attached to the existing nomination system. Mr. Cooke would retain a system of nomination which should include young men who had done well at the Universities and public schools in India, and the nominees, who might be fifty or one hundred, should compete among themselves. There should be only one examination. He would not fix a proportion of Natives in the Department, but sees some reasons why it should not consist exclusively of Natives. A European head of a large office commands more respect when he has a disagreeable or distressing duty to perform than a Native would. He has to deal with public Departments in a way which frequently requires the exercise of a great deal of firmness, and sometimes causes a great deal of clamour; he carries a great deal more weight than a Native would. It is not necessary to recruit the Department from lads who have been educated in England, though these may have an advantage over lads educated in India, *viz.*, of qualifying themselves in chartered Accountants' offices. Some of the young men from England have un-

questionably done well; others not so well; but the system aims not at getting the best men, but only those with sufficient interest to get appointed. Several of the men have proved inefficient, but with a better system of training might have done better. Some of the Natives have turned out uncommonly good men; others not so good. As regards pay and pension, Mr. Cooke agrees generally with Mr. Kellner. He would, however, not confine the rule respecting the maximum amount of pension to the holders of certain offices, but extend it to all officers drawing more than double that amount of salary, and would allow no exceptions to the age fixed for superannuation.

Mr. A. H. Anthony, Assistant Accountant General, North-Western Provinces, Enrolled officer, Class VI, born and educated in India, obtained his appointment as probationer in 1876 after a competitive examination, in which five nominated candidates competed for two vacancies. From experience he considers that the present system of competition is too limited to ensure good results. He would have a wider competition for men born and bred in this country. The supply would be sufficient to secure equally qualified men, and the importation of men from England is felt as a grievance by men born and educated in India. He would also permit occasionally the appointment of men under 50 years of age from the subordinate grades, though he thinks it of importance to maintain the distinction between an upper and subordinate service in order to secure in the subordinate ranks the benefits of local experience, which would be lost if the subordinate officers were liable to transfer to another Province. Persons who do the same duties should have the benefit of the same furlough rules and emoluments. The rules for Covenanted Civilians are more favorable than those for Uncovenanted officers in the Department. Mr. Anthony also drew up a note on the history and past and present constitution of the Department, the substance of which has been already given, and need not be repeated.

Mr. W. H. Egerton, Supernumerary Enrolled officer, Class VI, Assistant Accountant General, Punjab, entered the Department at 24 years of age by limited competition in 1878, and has served in many parts of India. The highest appointments should be thrown open to every one, and not, as now, reserved for Covenanted Civilians. The Department should be recruited more largely from all classes—Europeans, Eurasians, and Natives—on the present system of competition among nominees, there being a separate examination for Natives on the present scale. Civilians should enter the Department earlier than they do now, and serve ten years before being appointed Accountant General. Chief Superintendents should not be promoted to the Enrolled grades unless in exceptional cases. The discipline and tone of the office would suffer by such promotions, as Chief Superintendents are not likely to have the same influence over men from whose ranks they have risen.

Mr. W. H. Dobbie, Enrolled officer, educated in England, appointed in 1872 by a competitive examination among six nominated candidates for two appointments, has served in several of the principal parts of India. He agrees generally with Mr. Kellner as to recruitment for the service from Covenanted Civilians. It disheartens the members of the Enrolled grades, and discourages them from making efforts to do their duty in the most efficient manner. It is expensive, and the want of training in the head of the Department leads to imperfect supervision, and hence to indifferent work on the part of the permanent staff—a result most pernicious to the men in training. There must, too, be friction when men of the same position in society and very similar education are employed in the Department with different conditions of service as regards emoluments, promotion, and official dignity. Some of the men in the lower grades of the Enrolled service are unsatisfactory owing to want of proper training. They served under an Accountant General who had not received special training. Witness himself had no training, but was put to work at once. He considers a certain number of Europeans necessary for the efficient working of the Department, and recommends that men should be appointed by the Secretary of State, and receive some technical instruction in England before they are brought on the strength of the Department.

Babu Rajaninath Rai, M.A., Enrolled officer, 4th class, obtained his appointment by competition with five other nominated candidates (Europeans) for two vacancies in 1872. The Government, in his opinion, has not succeeded in making the Department attractive to Covenanted Civilians, as five have already left it from the Enrolled ranks, and two* from the higher ranks. Government should therefore raise their salaries when employed in the Enrolled list, or abandon the attempt to fill up the highest offices by Covenanted Civilians. The present mode of recruitment for the Enrolled list is not satisfactory. There is no assurance that the fittest candidates are brought to the notice of Government. Nomination should be abolished and competitive examinations held, open to all classes having a certain educational qualification. The present test is too low, and should include higher mathematics and omit elementary subjects. One-sixth of the appointments might, if pure Europeans are thought necessary, be by nomination of the Secretary of State or of the Government of India. The clerical ranks should be recruited by open competition. There is nothing in the duties of the Department that an intelligent man of any nationality cannot discharge if he takes an interest in his work. In the lower ranks Natives have already done well, and with extraordinary success when carefully selected. In the higher ranks, so far as they have gone, they have

* One of these (Mr. Barbour) became Financial Secretary to the Government of India, and is now Financial Member of the Supreme Council; the other (Mr. A. P. MacDonnell) went out as Revenue Secretary to the Government of Bengal, and is now Home Secretary to the Government of India.

worked as well as their European colleagues of the same standing. Witness served in the Central Provinces and in Bombay, where he was in charge of the Pay Department many years and had to deal with the accounts of European officers and grant last-pay certificates to officers embarking at that port, and had no unpleasantness with them on any race ground.

Mr. Rajaninath Rai would also amend the pension and leave rules in the direction of graduated pensions, of liberal maxima, and counting leave as pensionable service.

Babu Ishan Chunder Bose was appointed to the Department in 1874 by Lord Northbrook on account of his distinguished University career. He disapproves of the present system of recruitment. There should be no Covenanted Civilians in the Department. Enrolled officers, among whom should be included the Chief Superintendents, as their duties are practically the same, should be appointed by competitive examination open to all classes of Her Majesty's subjects under 25 years of age, and possessed of the degree of an Indian University. There should be graduated pensions and more liberal retiring and furlough rules.

Mr. P. E. Clague, Chief Superintendent, born and educated in England, entered the Department as a clerk on R70 in 1865. Has been drawing R600 for the last twelve years. He complains of the establishment of the system of probationers in 1871, whereby a bar was raised against the promotion of Chief Superintendents, however able, and of the present rules on that point. Chief Superintendents discharge the ordinary duties of Enrolled officers, and have the same responsibilities, but no prospects.

Babu Dinanath Ghose, who retired from the Financial Secretariat, in which he held an office carrying a salary of R600, in 1870, considers the present system of recruitment unfair. It is not necessary to appoint to the Department young gentlemen, or specially trained gentlemen, from England. A sufficiently good class of Europeans and Eurasians should be obtained in this country, and admission to the Department should be by competitive examination open to all classes who can furnish certificates of good moral conduct and physique. There are certain appointments in the Department which should be held by Covenanted Civilians, who are generally better qualified for administrative duties than gentlemen not in the service from their superior education and knowledge of administrative work. Clerks should be eligible for the Enrolled list, in which Chief Superintendents should be included, and admission to the lower clerical and to the subordinate Accounts Service should be by separate competitive examinations. The witness thinks that the complaint against Native heads of Departments of appointing their own relatives and friends is quite unfounded, and might be more fairly made of Europeans in the Accounts Department itself, in which the men appointed are the relatives of civil and military officers, and the standard of examination is insufficient to procure good men.

Mr. A. H. H. Munrowd, Chief Superintendent, Accountant General's Office, Punjab, born and educated in England, entered the Department as a clerk on R90 in 1863 through the influence of a friend, and has since served continuously in Lahore. He considers that the Enrolled list should be recruited from the subordinate service and Chief Clerks, but would not object to see outsiders occasionally brought in by competition. A Treasury Deputy Collector, though he prepares accounts, would not be familiar with the rules of audit or the system of compiling accounts for the purposes of the Comptroller General. He thinks European Superintendents more reliable than Natives; they are more careful, have greater control over their subordinates, and get more work out of them.

Babu Shama Charan Chakravarti, Chief Superintendent, Class V, office of Accountant General, North-Western Provinces, considers that Enrolled officers should be recruited from the subordinate Accounts Department by competition among candidates, Treasury Officers included, nominated by the Accountant General. The subordinate Accounts Service should be recruited from the clerical staff, preference being given to University graduates. The proportion of Natives on the Enrolled list is unduly small, 6 out of 40. The office of Accountant General should always be held by a Covenanted Civilian. He would know more about the financial resources of the country, and be in a better position to advise the Local Government financially. It would also avoid friction, as an Accountant General has to control the expenditure of the highest officers in the civil administration.

Mr. Alfred Fakir Chand, senior Superintendent in the office of Accountant General, Punjab, is a Christian and a Bengali by race; born at Delhi; entered the office of Accountant General in 1863 on a salary of R25, and is now drawing R390. He thinks that a Chief Superintendent, if eligible, should be promoted to the Enrolled grade, but that a certain number of the appointments ought to be open to competition. The work of Accountant General could be done by a Chief Superintendent on R400. Natives have a natural aptitude for accounts, and are far superior to Europeans, who, after a time in office, become superior to Natives, as they have more energy. The educated men (Natives) now obtained are perhaps less diligent on account of the distasteful nature of the work, and less amenable to discipline than the less educated men who used formerly to serve in the Department.

Mr. George Bleazby, Superintendent, Accountant General's Office, Punjab, born and educated in India, entered the Department in 1878 on R40, and is now in a grade carrying salary of R360 rising to R390. He explained his duties connected with the Budget and Resource branches of the office of which he is in charge. He would amalgamate Chief Superintendents with the Enrolled list, and maintain the distinction between that list and the subordinate service. He prefers to serve under a Covenanted Civilian as head of the office. More confidence is felt in his impartiality in the distribution of patronage, and friction is

avoided in auditing the accounts and criticising the expenditure of other Departments. The subordinate service should be Imperial and not Local, so as to give a wider field for selection and more openings for promotion.

Babu Govind Lall Rai, ex-Superintendent, retired on a pension in 1882, gave evidence respecting the Department much to the same effect as the previous witness. The Department, he thinks, requires special training, and junior Civil Servants ought to be brought in as probationers, but on higher pay. He considers that the Covenanted Civil Servants are better men and superior to the other members of the Department as at present constituted. Their superior education enables them to acquire knowledge quicker.

Lala Purkash Chand, Special Auditor, office of Accountant General, Punjab, pay ₹85, considers that Natives should be more largely employed. They have greater aptitude for accounts. Hindu shopkeepers, perhaps because they are generally vegetarians, can make calculations mentally, which a European cannot make without writing.

Lalla Ganpat Rai, Pleader, was for a time in the Accounts Department, but left it as there were no prospects of promotion. He observes that the Enrolled list should be recruited entirely by Natives, as Europeans get the higher Police appointments, and Natives are cheaper and equally competent. The pay should be considerably reduced. Half the appointments should be made from subordinate grades and half by competition. Natives could perform the duties of Accountant General; it is not necessary that an Accountant General should be a Covenanted Civilian. The proportion of Eurasians in the Enrolled grades should be limited to one-sixth. Witness would prefer not to have them at all, but supposes that since they are domiciled, they must be provided for.

Mr. O. T. Barrow, of the Bengal Civil Service, stated that he joined the Accounts Department after 5 years' service as a Sub-Divisional officer; that he was first posted as Assistant Accountant General to the North-Western Provinces, and remained there for about a year, after which time he was sent to Bengal, whence, after 3 years' service as Assistant Accountant General and Deputy Accountant General, he was transferred as Deputy Accountant General to Bombay. Mr. Barrow informed the Sub-Committee that in Bombay the Accountant General advises the Local Government on all matters involving expenditure, and he expressed his opinion that the appointment should be reserved for a Covenanted Civilian. In support of his opinion, he adduced three reasons—(1) that the Accountant General has to deal with officers in very high positions, and sometimes on questions of leave and pay which occasion friction, and that it is therefore essential that he should be an officer whose independence is unimpeachable; (2) that the decisions of a Civilian would command more respect from District and other officers; and (3) that the Accountant General is, as it were, the mouth-piece of the Government of India to the Local Government in the interpretation of rules and orders, and that if he were a Civilian, this portion of his duty would be discharged with less friction. He also considered that the experience of district work acquired by a Civilian gave him a decided advantage over other men in the Accounts Department. He further urged that, even in the minor local Administrations, Covenanted Civilians should be employed in performing the duties of Accountant General; but as he had never served in the Provinces under such Administrations, he could not say whether any friction had been occasioned by reason that the Comptrollers were not Covenanted Civilians. He also stated that the Accountants General have the sole direction of the movements of Government funds within the Presidency, and at Bombay have business relations with banks and merchants respecting Council Bills.

In reference to the appointment of officers to the Enrolled grades, Mr. Barrow stated that, in his opinion, the Enrolled system is too costly for the work to be performed; that the officers in the higher grades of the Enrolled list, who have to do pure account work, are at present too highly paid; but that if the system were maintained, better qualified European candidates would be obtained if the selections were made in Europe. With regard to the employment of Treasury Officers in the Accounts Department, Mr. Barrow admitted that it would be an advantage that officers of the Department engaged in Treasury Account work should have had experience as Treasury Officers.

As to the employment of Natives in the Enrolled grade, he stated that he had worked with three of them, and that some of them were very good Account officers, and as purely Account officers not inferior to Europeans, but that he thought that the appointment of Natives to the Department is to some extent undesirable, because there were appointments of which the holders are brought into direct contact with the European public. He considered that the post of Presidency Paymaster is an appointment in which it is especially undesirable to employ a Native. He was not aware that that appointment at Bombay had been held by a Native. He pointed out that a comparison could not be made between the duties of a Presidency Paymaster and those of a Treasury Officer in a cantonment, inasmuch as the latter is not called on to consider questions of leave and pay; and he explained that, although questions of leave would be settled on the report of the Presidency Paymaster, yet that on questions of pay he has to deal directly with the officers affected. On being questioned as to the duties of the Chief Superintendents, he stated that, with the exception that these officers are not appointed Presidency Paymasters, nor placed in charge of the Treasury Accounts, the work performed by them is exactly the same as that done by Assistant and Deputy Accountants General. Mr. Barrow hesitated to pronounce whether it is desirable that an Accountant General should have had previous training in the Department. He pointed

out that such training is not considered necessary for Postmasters General, and he mentioned that some excellent Accountants General had had no departmental training. On the whole, he considered it an advantage that they should have had such training. He proceeded to explain a scheme for the reconstitution of the Department. Considering, as he had before stated, that several officers who receive salaries of upwards of ₹1,000 are engaged on work which is equally well done by Chief Superintendents on salaries under ₹1,000, he proposed to abolish the Enrolled grades and to recruit men for the duties of the higher officers engaged on accounts and audit, partly by selection from the subordinate Accounts Service in the same manner as Chief Superintendents are now selected, and partly by a competitive examination among candidates who had some knowledge of accounts. For the posts in the Presidency Pay office and Paper Currency office he proposed to bring in Covenanted Civilians who would also hold the appointments of Deputy Accountants General. From Civilians thus trained in the Department he would select the Comptroller of India Treasuries and Accountant General, but he would not insist on such training as an indispensable qualification.

In answer to a question put to him by the Hon'ble Khan Bahadur Kazi Shahbudin, Mr. Barrow stated that a great deal of the work of the Accountant General certainly does not require any very great ability. He admitted that questions relating to leave, allowances, and pensions are ordinarily regulated by rule; but he maintained that the interpretation of rules is not always easy, and he mentioned that in interpreting a doubtful rule, the decision of the Accountant General would be final unless the Local Government disagreed with that decision, in which case a reference would be made to the Government of India. He allowed that where rules had been laid down, there ought not to be any friction; but he stated that, as a matter of fact, officers frequently demur to the Accountant General's interpretation of rules; and believing, as he did, that many officers accept the Accountant General's decision because he is a Covenanted Civilian, his contention was that the friction would be greater if the office of Accountant General were not held by a Covenanted Civilian.

He explained that by stating that the Accountant General is the mouth-piece of the Government of India, he meant that that officer exercises a check on the Local Government, preventing it from issuing Resolutions in contravention of rules made by the Government of India, and that he did not allege that it is the ability of the Accountant General which gives weight to his decisions, but his connection with the Civil Service. He stated that movements of money are regulated by the Accountant General of his own motion; that he ascertains from local officers their probable requirements, and exercises his discretion as to supplying them with funds; and that the Treasury work in districts is practically left to the Treasury Officer.

He professed himself unable to say whether any system is observed in selecting candidates for the Enrolled grades, or with whom the right of nomination rests; but that he believed the Local Governments are consulted when Natives are nominated. He knew that one vacancy in every three is competed for by Natives and two by Europeans; that Natives compete with each other, and Europeans with each other; that the examinations are in the same subjects, and that the standards are the same. He explained that when he expressed his preference for the selection of candidates in England, he referred only to Europeans, and saw no objection to the admission of Natives in India. In answer to questions addressed to him by Mr. Nulkar, Mr. Barrow stated that the Accountant General advises the Local Government as to the financial results of proposals made by District and other officers; that for the assistance of the Local Government, he interprets the rules of the Financial Codes as an expert, and gives his advice in matters which are not within the rules. He had never served in a non-Regulation Province, and was therefore unable to say whether there is friction when the office of Deputy Commissioner is held by an Uncovenanted officer. In reply to Mr. Fernandez, Mr. Barrow stated that he had not meant to include domiciled Europeans and Eurasians in the term Natives; but that the views he had expressed regarding Natives would also apply to these classes; that he saw no objection to exclude Eurasians from competing for the Enrolled grades; but that, if the scheme he advocated were adopted, Eurasians as well as Natives would be eligible for the office of Chief Superintendent. Lastly, in answer to the Accountant General, he stated that the Accountants General do the same work for the Local Governments as is done for the Government of India by the Financial Member.

Mr. Godrezji D. Padamji, B.A., Assistant Accountant General, stated that in 1876 he obtained an appointment as probationer in the Department on a salary of ₹200 by nomination, and that he had had charge of nearly every branch of the office, except those of Resource and Budget. He considered that it is unnecessary to employ Covenanted Civilians in the Department. He allowed that the knowledge of the administrative departments which such officers acquire rendered it probable that they would be more able financiers than officers whose whole training has been in the Accounts Department, and that consequently the post of Financial Secretary should be reserved for Covenanted Civilians; but he asserted that mere account experience, or the intimate knowledge of the Codes and account-keeping which would be acquired in the Accounts Department, would not constitute officers financiers, and that it is therefore unnecessary to bring in Civilians to improve their efficiency in that respect. He maintained that the office of Accountant General might well be held by an Uncovenanted officer. Admitting that he would be brought into contact with all classes of officers of other Departments, Mr. Padamji asserted that he is bound by rules and orders, and cannot contravene them. And with regard to the position which, it was alleged, the Accountant General

occupies as Financial adviser to the Local Government, Mr. Padamji stated that all questions purely financial are in fact settled by the Financial Member of the Government of India; that, to the best of his belief, the Local Government can make no radical change in the administration of Provincial sources of revenue without the consent of the Government of India; and that whatever advice the Accountant General tenders to the Local Government, and whatever suggestions he makes as to Budget Estimates, are made from the standpoint of an Account officer, and that he has no voice in administrative questions.

He maintained that a high order of ability is not required in the Accounts Department; that the talents of Covenanted Civilians can be more profitably employed in administration; and that these officers are only induced by the attraction of superior pay to exchange the more interesting work of administration for the monotonous routine of an Accounts office. He mentioned that the Codes are at the present time very complicated, and that if they were simplified, the friction between Account officers and officers of other Departments would be minimized. He considered that a training of at least two years is necessary to qualify an officer to be an auditor, and that the longer his experience, the greater would be his efficiency.

He further considered that if the present organization of the Department is retained, the system of recruiting the Enrolled grades is satisfactory, provided that the number of nominees for each competition is increased to six, and that every alternate appointment is competed for by Native candidates. Although he considered that Natives have a special aptitude for accounts, he deemed it desirable that there should be a certain number of Europeans in the Department; and as he thought that Europeans would certainly fail in a competitive examination with Natives because Natives were "more prone to cramming," he advised that the practice of allowing them to compete separately should be continued. He stated that he saw no reason why Chief Superintendents should not be promoted to the Enrolled grades; on the contrary, he considered that the efficiency of the Enrolled grades would be increased by the introduction of men of long experience. He recommended that the Department should be reorganized; that a number of appointments carrying salaries of from ₹600 to ₹2,000 should be abolished; and the number of appointments on smaller pay, about ₹500, which was sufficient for routine work, should be increased. He proposed that a certain number of young gentlemen of education should be admitted and work their way up as probationers, and that appointments in the ₹500 grade should be given alternately to a probationer and to a Chief Superintendent; but that promotion beyond this grade should be given only to officers who have shown themselves qualified for something more than routine work.

Mr. J. W. H. Sandell, Chief Superintendent of the 1st class, who received his permanent appointment in the Department in 1869 as a 1st class clerk at the bottom of the subordinate Accounts Service, and had risen to the sole appointment in the 1st grade of Chief Superintendent carrying a salary of ₹600 to ₹800, stated that the first audit is made by clerks who belong to the subordinate Accounts Service or to the clerical staff, and the review audit by the Superintendents and the gazetted staff, and that the Deputy Accountant General, Assistant Accountant General, and Chief Superintendents pass all the work of their Department, except such as the rules require to be laid before the Accountant General. He considered that there is no necessity for retaining the Enrolled grades; that the subordinate Account Service, which was created by the selection from the clerical staff of men with an aptitude for accounts, and which now consists of about 150 members, can furnish all the officers required for the higher branches of the audit work. He mentioned that in the subordinate Accounts Service there are only 6 non-domiciled Europeans; that of the other officers in that branch, 14 are domiciled Europeans, 40 are Eurasians, 89 are Hindus, 1 is a Mahomedan, and 2 are Parsis. With regard to the qualifications of the several classes employed in the Department, he considered that Natives do their work practically as well as any other class, but that they are not so efficient in working a branch; that they do their own work thoroughly, and are unsurpassed for steadiness and application; but that they cannot get work out of their subordinates, and do too much themselves; and he mentioned as an instance that on the death of an excellent Native officer, the efficiency of his branch practically came to an end. Mr. Sandell considered that an officer promoted from the subordinate Accounts branch can discharge the duties of Presidency Paymaster, and he mentioned that he had himself acted in that office, and that a Native, Mr. Ray, had done the work of that post very efficiently. He considered that the duties of the Paper Currency office would be better performed by a Covenanted Civilian, who had had a Revenue and Judicial training, than by a promoted officer. He also was of opinion that the Covenanted Civilians should, as a rule, be appointed to the posts of Accountant General, because the man promoted from the subordinate Accounts Service would not, save in exceptional cases, be of sufficient social standing. In answer to the Hon'ble Kazi Shahbudin, he added that the Covenanted Civilian enjoys a *status* in India which no Uncovenanted officer can acquire. He also stated that he considered the Native Treasury Officers in the Bombay Presidency proper were inefficient, though two Hindus and a Goanese, who were Treasury Officers in Sind, were excellent officers. In answer to Mr. Fernandez, he stated that he was aware that Treasury Officers in the Bombay Presidency perform other duties, and that there are no Treasury Officers properly so called. He added that he considered this a defect in the system, and that it might be advisable, if it were practicable, to send men out from the Accounts

Department to serve as Treasury Officers, and to bring them back to a higher grade in the Department after a certain length of service in the district.

In answer to the inquiry whether he desired to make any further observations, Mr. Sandell read a note, in which he argued that subsequently to 1862 the organization of the Department had been altered so as to deprive officers who entered in the subordinate grades of the prospects which had been held out to them of rising to the highest grades. He referred to the Resolution of the Government of India of the 29th August 1862 as distinctly declaring that admission was open to all clerks recommended for such promotions to the Classified or Enrolled grades, and to a letter of Mr. E. F. Harrison, the Comptroller General, No. 1711, dated March 1877, as confirming his assertion that by the admission of inexperienced officers to the Enrolled grades, the Accountants General were "mere beginners," instead of men of great experience as Superintendents of the principal sections of these offices. He maintained that the reorganization of 1880, which created the grade of Chief Superintendents with a maximum salary of ₹500, did not compensate the officers of the subordinate grades for the loss of the possibility of rising to posts carrying the highest salaries allowed to Uncovenanted officers. He asserted that the Chief Superintendents are by reason of their experience called upon to perform duties more onerous than those entrusted to any but the most experienced of the Enrolled officers, and he maintained that the proper posts into which to admit young men of education, but of no experience, are those in the lowest grade of the subordinate Accounts Service, where they would first be required to do the work of senior clerks, and then of junior Superintendents; when they had acquired the necessary technical knowledge, they would be entrusted with the senior Superintendent's duties. Lastly, he contended that it would be unfair to regard the present members of the subordinate Accounts Service, of which up to 1880 the prospects had been grievously curtailed, as any criterion of the class of men that would be attracted to an open service, and he asserted that even the results of the organization of the subordinate Accounts Service would not be felt until some of the senior men had retired and the selected young men of good promise had gained more experience, and made their presence in the Department felt.

Mr. H. S. Groves, B.A., Assistant Accountant General, Madras, stated that he was born in India of domiciled parents, but had been educated and taken his degree in England, and that after declining the offer of a scholarship at Baliol College, Oxford, he had come to India, and in 1873, after a competitive examination, obtained an appointment in the Accounts Department; that during 14 years' service in the Department he had had charge in turn of nearly every department of the office as well as of the outside audit; that he had, at the request of the Accountant General, prepared schemes for the audit of Special Funds and Municipal Accounts and had drawn up a Manual of the Currency Procedure, which had been approved by the Comptroller General, and adopted for the use of the Department. Mr. Groves took exception to the existing constitution of the Department on these grounds: *firstly*, that the rule requiring that the appointments of Accountant General should ordinarily be filled by Covenanted Civilians debars officers who entered the Department under the conditions on which it was originally organized from promotion to which they are entitled to look; *secondly*, that the rule which prescribes that a certain number of Covenanted Civilians should be appointed to the Department, and that even on occasions when Civilians are temporarily absent on leave other Civilians should be brought in to act, though they have no previous experience of the duties to be performed by them, is detrimental to the efficiency of the service, and operates harshly on the officers of long experience in the Department who were superseded. In support of this objection, he mentioned that, although he had hitherto invariably been appointed to officiate as Deputy Accountant General when a vacancy occurred, and although the duties of Deputy Accountant General could not be performed by an officer without training, he had been recently superseded by the appointment of a Covenanted Civilian, who had never previously served in the Department, but who had been appointed in the place of a Covenanted Civilian, who had taken leave, and who held an appointment in an office in another Presidency. The third ground on which Mr. Groves objected to the present constitution of the Department was the continued introduction of Uncovenanted officers, for the most part European gentlemen, by a process of nomination and limited competition when the appointments to be filled by them under the new conditions could be much more efficiently held, as a rule, by deserving subordinates, Natives of India, already in the Department.

Mr. Groves asserted that he had no objection to the appointment of Covenanted Civilians to the higher posts of the Department, so far as it does not defeat the claims of Uncovenanted officers who entered under the old conditions; that, on the contrary, he considered them the best and most suitable agency, but that it appeared to him indispensable, if they are introduced at all, that it should be on the ground of special fitness; that no officer should be put into any appointment requiring special knowledge and experience, such as that of Deputy Accountant General, without having previously qualified himself for it by sufficient training in the Department; and that when a vacancy occurs in such an office, and there is no Covenanted Civilian in the Department qualified to take it, it should be given to the senior Uncovenanted officer who is qualified for it.

As to the third objection taken by him, he maintained that Natives of India, including Statutory Natives, are entitled in preference to Europeans to all appointments in the service, including the highest, if they are qualified to fill them, unless it could be shown there are State reasons for excluding them, and that the officers of the subordinate Accounts Service, being

almost without exception Statutory Natives, would therefore be entitled to be promoted to appointments in the Enrolled grades, if they are qualified to fill them, unless reason could be shown for appointing Europeans or for appointing Natives in some other way. He stated that he saw no reason for admitting Natives directly to the Enrolled grades by nomination and competition, inasmuch as men of the same ability and qualifications would be found in the subordinate Accounts Service if the hope of promotion to the Enrolled grades were held out to them; and, on the other hand, the work required of gazetted officers renders previous acquaintance with the details of office routine very desirable, if not indispensable. He maintained that no special reason exists for the employment of Europeans in the lower appointments of the Enrolled grade; that there is no occasion in those appointments for the special qualifications of Europeans; that the antecedents and previous training of Europeans render the drudgery of the routine of the lower appointments peculiarly irksome to them; and that for this reason they either attend to the work mechanically, or neglect it.

He maintained that the experiment made in 1880 of promoting deserving Superintendents to a gazetted grade had worked well, and that it should be tried more extensively, so as to allow that class to fill all the lower appointments in the Enrolled grade, and to rise to the enjoyment of a maximum salary of ₹1,000. He stated that Chief Superintendents are now doing similar work to that which was done by him and by other Enrolled officers, and with more knowledge than he could pretend to, and that in his belief, if the lower appointments held by the Enrolled officers were thrown open to qualified Superintendents, the efficiency of the Department generally would be promoted.

On the other hand, Mr. Groves stated that, in his judgment, the higher offices, such as those of Accountant General, Deputy Accountant General, and a few others, must be filled by European gentlemen. For these appointments he considered that other qualities, besides experience in the work of the Department, are necessary, such as tact, knowledge of the world, grasp of general principles, capacity to organize, power to command, and promptness in action; and, while unwilling in any way to depreciate Natives, he felt constrained to say that in these qualities Natives are, as a rule, deficient. He proceeded to say that if it is admitted that these appointments should, as a rule, be filled by Europeans (for he would not absolutely debar Natives), the best agency is in his judgment the Covenanted Civil Service, if arrangements are made beforehand to secure that a member of that Service is duly qualified for an important appointment before he is appointed to it.

He stated that the account system and procedure are now settled, and there is no longer any need for special European agency in the higher appointments; that the working of the office consists in the adherence to fixed rules, and leaves little scope for professional accountants; and that when technical knowledge has ceased to be necessary, recourse should always be had to the Covenanted Civil Service. Mr. Groves stated that he recommended the appointment of Covenanted Civilians because he considered that it was intended that recourse should be had to that agency rather than to an Uncovenanted agency when Europeans are required, and that the expense entailed on the State by their employment is not unreasonable.

With respect to the recruitment of officers for the posts which he proposed to throw open to Natives, Mr. Groves thought it inexpedient to make any restrictive rules as to the offices to which first appointments should be made. He would allow men who entered as clerks in the 3rd or 4th class to work their way up to any posts for which they might be qualified. On the other hand, if promising men offered themselves, he thought that it would be expedient to put them in as 1st class clerks on ₹120—150. He stated that he saw no reason for making any race distinction between officers of the Department, but that, judging from his experience of Natives in the office, they were generally, but by no means universally, wanting in originality, energy, and power of command; that they could master details very well, but could not grasp principles; and that when work had to be done at unusual speed, a European could do it more quickly than a Native. Mr. Groves admitted that his remarks did not apply to Native graduates, as he had not known a sufficient number of them to form an opinion, and they had perhaps entered the Department only within the last five or six years, but that he referred to a very good and intelligent class of Natives who were masters of their own work.

Mr. C. Hall, Chief Superintendent in the Accounts Department, stated that he was in charge of the Presidency Audit Department, and that he considered that the organization of the Department in 1880, by which Chief Superintendents were placed in a separate grade, was fair to all parties concerned; that he thought the promotion of Chief Superintendents to the Enrolled grades would induce very good men to enter the Department; but that he believed difficulty is created by the circumstance that the pay of the lowest of the Enrolled grades is less than that of Chief Superintendents. He stated that he did not think that there should be an excess of Natives in the upper grades of the Department, but that there should be a fair proportion; and that his reasons for proposing to limit their number were that there are appointments of which the holders are brought into contact with Europeans, and it is therefore desirable that the officers should be Europeans. He thought that the Accountant General and Deputy Accountant General should certainly not be Natives, because, having to deal with officers of all classes, there would be less friction between the Account and other Departments if the officers he had mentioned were Europeans. He considered that the training which a Covenanted Civilian receives is of a higher and more varied kind than that of an officer in the Accounts Department, and that his knowledge of the country and of the working of other Departments would be of great benefit to an Accountant General. Consequently he would recommend the appointment

of Uncovenanted officers to that post only in exceptional cases. He considered that any natural-born subject of Her Majesty should, if he were the best man, obtain the appointment irrespectively of any question of race.

Mr. Krishnaswami Chetty, a Superintendent in the Accountant General's Office, Madras, said that he had entered the Department in 1870 as an Accountant on a salary of R30, and that he had risen to a post of which the salary was R300—380. He stated that he did not consider the present system of recruitment for the Enrolled grade satisfactory, because he did not see why a man should be required to begin on a salary of R200—300. He observed that the object of a system of limited competition is to secure men of birth and education; but that a salary of R200 would not attract men of birth, and a system of limited competition would not secure men of education. He proceeded to make some objections to the place where the examination is held, but it appeared that he was not acquainted with the practice. He claimed that appointments in the Enrolled grade should be open to men in the subordinate Accounts Service, and that they should be permitted to compete at the examination for appointments to the Enrolled staff.

Section II.—Notes by Departmental Members, &c.

Information supplied by the Government of India.

No. 1597, dated 29th March 1887.

From—The Secretary to the Government of India, Department of Finance and Commerce,

To—The Secretary to the Public Service Commission.

I am directed to acknowledge the receipt of your letter No. 205, dated the 19th March 1887, asking for certain particulars regarding service in the Accounts Department.

2. In reply, I am directed to observe as follows:—

(1) The present regulations of the Department as to admission to the various grades and to promotion therein are contained in the Resolutions in this Department, No. 3577, dated the 4th November 1880, and No. 2273, dated the 18th April 1876, of which copies are enclosed.

(2) The pay attached to the various grades in the Department is shown in the statement herewith sent with reference to the enquiry under head (5). All officers of the Department, with the exception of Covenanted Civilians, are subject to the pension and leave rules applicable to officers in the Uncovenanted Service. The following officers have, however, been admitted to the leave rules for Covenanted Civilians:

T. H. S. Biddulph.	R. E. Hamilton.
T. H. Biggs.	E. W. Kellner.
E. S. Byrne.	C. R. Kiernander.
J. E. Cooke.	J. E. O'Conor.

R. A. Sterndale.

(3) The technical requirements of the Department will be gathered from the regulations regarding admission and departmental examinations contained in the orders quoted under head (1), and a further notification regarding the training of junior officers, No. 3496, dated the 28th December 1876, a copy of which is also enclosed.

(4) It is not possible for the Government at the present stage of the enquiry to give any opinion on the matters referred to in this question; and I am to suggest that the senior officers of the Department, Mr. Westland and Mr. Gay, be asked to give their opinions on the subject.

(5) A return in the form annexed to your letter shewing the present constitution of the Department is forwarded herewith.

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY.

Existing Organization and Constitution of the Accounts Department.

1	2	3		4						
				NUMBER OF APPOINTMENTS NOW HELD BY						
							NATIVES OF INDIA.			
Department.	Total number of gazetted appointments.	Distributed in Grades and Classes.	Pay.	Europeans not domiciled in India.	Europeans domiciled in India.	Eurasians.	Hindus.	Mahomedans.	Others.	Total.
			Rs. Rs.							
Accounts Department...	60	Comptroller General	3,500	1	...	...	...	...	...	...
		Accountant General, Class I ...	2,750	2	...	...	...	...	...	...
		Ditto „ II ...	2,500	2	...	...	...	...	...	...
		Ditto „ III ...	2,250	1	...	...	...	...	...	...
		Enrolled Officer, Class I ...	1,750—50—2,000	1	2	1	...	...	...	...
		Ditto „ II ...	1,250—50—1,500	2	2	1	...	..	...	...
		Ditto „ III ...	1,000—50—1,250	5	1	...	...	...	...	...
		Ditto „ IV ...	800—40—1,000	6	1	...	1	...	...	1
		Ditto „ V ...	600—40—800	5	1	...	...	...	...	...
		Ditto „ VI ...	400—40—600	1	...	1	1	...	1	2
		Supernumeraries	Ditto	3	1	...	...	...	1	1
		Probationers	200—50—300	2	...	...	2	...	...	2
		Chief Superintendent, Class I ...	600—40—800	1	...	...	...	...	...	...
		Ditto „ II ...	500—40—700	...	...	1	1	...	...	1
		Ditto „ III ...	500—20—600	1	1	...	...	...	...	...
		Ditto „ IV ...	400—40—600	1	...	2	1	...	...	1
		Ditto „ V ...	400—20—500	...	...	2	1	...	...	1
			Total ...	34	9	8	7	...	2	9

Existing Organization and Constitution of the Accounts Department.

1	2	3	4																							
			NUMBER OF APPOINTMENTS IN EACH CLASS OR GRADE NOW HELD BY																							
			1				2				3				4											
															Natives of India.											
															(a) Hindus.				(b) Mahomedans.				(c) Others.			
Department.	Total number of gazetted appointments, or of appointments not being purely clerical, of salaries of Rs. 100 and upwards.	Distribution of the gazetted appointments and the other appointments mentioned in column 2 amongst classes and grades, with rate of pay attached to each.	Europeans not domiciled in India.				Europeans domiciled in India.				Eurasians.															
			100 to 200	200 to 300	300 to 400	400 to 500	100 to 200	200 to 300	300 to 400	400 to 500	100 to 200	200 to 300	300 to 400	400 to 500	100 to 200	200 to 300	300 to 400	400 to 500	100 to 200	200 to 300	300 to 400	400 to 500	100 to 200	200 to 300	300 to 400	400 to 500	100 to 200	200 to 300	300 to 400	400 to 500
India and India Treasuries	.....	.....	...	...	...	...	2	1	...	...	2	8	1	...	9	4	2	1	...	...	...	...	...	...	...	...	13	13	3	1
Central Provinces ...	.....	.....	...	...	...	...	...	...	...	...	...	1	...	...	4	2	...	...	...	...	...	...	...	...	...	...	4	3	...	...
Burma	.....	.....	...	...	1	...	...	...	...	...	4	3	...	...	2	1	...	...	...	...	...	...	...	...	...	...	6	4	1	...
Assam	.....	.....	...	...	...	...	...	...	...	...	2	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	2	...	...	...
Bengal	.....	.....	...	...	...	...	3	1	...	...	...	2	1	1	9	5	2	...	...	...	...	...	...	...	...	...	12	8	3	1
North-Western Provinces and Oudh... ...	.....	.....	...	...	...	...	...	1	1	1	...	2	...	...	7	3	2	...	...	...	...	...	...	...	...	...	7	6	3	1
Punjab	.....	.....	...	...	...	...	2	2	...	...	1	...	...	...	5	2	...	...	...	...	...	...	...	...	2	...	8	4	2	...
Madras	.....	.....	...	...	...	...	...	...	...	...	1	...	1	1	9	4	1	...	1	...	...	...	1	...	...	...	12	4	2	1
Bombay	.....	.....	...	...	2	...	...	...	...	...	5	3	1	...	5	2	1	2	...	...	...	...	...	...	...	...	10	5	4	2
Hyderabad	.....	.....	1	1	1	...	...	...	...	...	...	...	...	...	1	4	...	...	...	...	...	...	...	...	...	...	2	5	1	...
Total ...	.....	.....	1	1	4	...	7	5	1	1	15	19	4	2	51	27	8	3	1	...	...	...	1	...	2	...	76	52	19	6

Note by E. GAY, Esq., *on the Papers printed to explain the history and present constitution of the Civil Accounts Department,—dated 29th March 1887.*

A Civil Account Department for the whole of India was first formed in 1857. It made little change in the existing staff, and provided the following offices:

Accountant General	... ...	for India, Madras, and Bombay.
Civil Auditor	... ...	
Sub-Treasurer	... ...	
Accountant	... ...	for Bengal (the India Civil Auditor and Sub-Treasurer serving for Bengal also).
Accountant	... ...	for North-Western Provinces and Punjab.
Civil Auditor	... ...	

The whole of these were reserved for the Covenanted Service, including the appointments of Accountant and Civil Auditor, Punjab, which had previously been held by Uncovenanted Officers; the First Assistant to the Accountants General and the Second Assistant, India, were also Covenanted; the highest Uncovenanted salary was Rs. 800.

2. The Covenanted Civilians who joined the Department were required to remain in it throughout their service; none were allowed to enter under 5 years' standing.

3. In 1862 the plan was pronounced a failure, the number of offices was increased and brought down to a lower scale of pay, and all distinction of service was abolished. Under this order men of all classes were appointed to the Department, and lower classes were added to the Department, bringing the scale down to a minimum of Rs. 400.

4. In consequence of the transfer of the Government balances to the care of the Presidency Banks, the office of Sub-Treasurer was abolished.

5. In 1865 the separate office of Civil Auditor (or, as it was latterly called, Civil Paymaster) was abolished, that officer becoming Deputy to the Accountant General or Accountant.

6. A lower class of probationers beginning at Rs. 200 was afterwards added, and in 1871 a system of competition examination was established among three nominated candidates for each vacancy, with two departmental examinations to be passed before promotion.

7. Several petty changes and additions were made to the scale, but no important alteration was made until 1873, when first one, then more, Covenanted Civilians were brought into the Department on exceptional rates of pay, as the normal scale was not sufficiently attractive; and in 1880 the whole system was altered, and the highest appointments with increased pay were again reserved for Covenanted Civilians.

8. In 1876 reserve treasuries were established at the Presidencies, and the Comptroller General was appointed Treasurer to the Government of India.

9. In 1884 the Comptroller General was created Auditor General of India with power to audit and inspect all Government accounts, Military and Public Works, as well as Civil.

10. In 1870 the administration of the Paper Currency was made over to the Account Department.

Note by the Departmental Member, Bengal.

At the request of the President of the Sub-Committee of the Public Service Commission, I submit the following Note; the references in it are to the compilation of papers printed for the Commission.

2. The problem in organizing the Department has always been to induce members of the Covenanted Civil Service to devote themselves sufficiently to the dry study of accounts and finance to qualify for the technical guidance of the Department. The extract given below* shows the early difficulties; in 1857 they were met by forming a close Department for all India. Civilians of not less than 5 years' standing were to enter, administrative experience being thought essential, and were to continue in the Department throughout their service. The Government order is printed at page 1.

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* *Extract from Despatch No. 25 from Court of Directors, dated 4th October 1843.*

Para. 6.—In our Despatch in this Department, dated the 14th August 1839, No. 18, in adverting to certain delays and deficiencies in the Department of Accounts, we had occasion to make the following remarks: "We are not disposed to ascribe this unsatisfactory result to want of exertion on the part of your officers of account at Allahabad, but we cannot overlook the fact that those officers when they were appointed had no previous experience in any department of accounts, but entered upon a new employment in a situation where the utmost efficiency in that peculiar line of business was required, and where it was needful to effect as speedy a separation and adjustment as possible of expensive accounts. The course thus taken may have been unavoidable, but we are the less surprised at the occurrence of such long delay in completing the work. We shall be glad to receive satisfactory assurance that the separation and adjustment have been accurately effected.

3. After 5 years' experience this plan was pronounced hopeless, and a perfectly different scheme was tried; the attempt to officer the Department exclusively with Covenanted Civilians was for the first time abandoned. All appointments were thrown open freely. Government gave an absolute promise that men of all classes in it should be promoted with strict impartiality and with no favor to Government Civilians, and it also promised the non-gazetted establishment that promotions should continue to be made from their body to the Gazetted list.

4. These were not mere publications of new rules involving such conditions, but were deliberate promises made after a full review of the conditions and with a recognition of their novelty and importance (2nd and 3rd paragraphs on page 7), and they were probably founded on the Civil Service Act recently passed, which provided a way of appointing Uncovenanted men, under certain restrictions, to appointments before strictly reserved for the Covenanted Service.

5. The promises to the Enrolled list were reviewed and confirmed on many occasions in later years (see specially the recitals in Financial Department Resolution No. 2163, dated 12th April 1876, page 19). The promise to the establishments was made explicit in August 1862; and as this paper is not in the printed collection, I give an extract below.*

6. The reorganization of 1880 reversed all this, and swept away these prospects. Under the Government interpretation of the law, no Uncovenanted Officer can be made an Accountant General without the approval of the Secretary of State, and by paragraph 17 of the Resolution (page 62) no one can be promoted to the Enrolled list without a similar reference.

7. The Account Department now consists of the following grades:

(1) Covenanted Civil Servants (Comptroller General, 5 Accountants General, and 3 men in training).
(2) Enrolled List, pay Rs. 200—2,000.
(3) Chief Superintendents, pay Rs. 400—800.
(4) Subordinate Accounts Service, pay Rs. 100—500.
(5) Clerks.

8. I do not think the present arrangement is satisfactory. These five gradations seem unnecessarily complicated, and the plan does not retain Covenanted Civilians in the Department, so that their training is lost; nor does it sufficiently provide that the Uncovenanted Officers shall be the best men obtainable.

9. The most important question for the future is whether Covenanted Civilians are required to fill the whole or a part of the higher appointments; if not, the scale of 1862 would suffice, raising the pay of the Accountants General, Bombay and Madras, to Rs. 2,500 in consideration of the Reserve Treasury and Currency duties which answer to the Bank duties for which a special allowance was contemplated (last paragraph on page 8).

10. But I believe it is generally considered, and it is certainly my opinion, that this important Department should not drift entirely away from the Covenanted Service; and if Covenanted Officers are to be attracted to the Department and to stay in it, a better scale must be given such as that now in force.

"One of the essential means of guarding against the evils that have arisen is to employ, in all cases, well-qualified officers in these important stations. We are satisfied that due attention has not been paid at any of our presidencies to the training of a sufficient number of our Civil Servants in the Department of Account to ensure a supply of officers thus qualified to execute the important duties of Accountant and Civil Auditor.

"The means of promoting this desirable result have been repeatedly the subject of correspondnce with our Governments, as will appear from our letters to the Government of Madras in the Public Department, dated 11th January 1809 (paragraph 122), and 6th May 1824 (paragraphs 8 to 13), and to the Government of Bombay in letters in the same Department, dated the 29th November 1820 (paragraph 4) and 4th June 1823 (paragraphs 64 and 65), copies of which instructions we transmit in the packet. Our object therein was that persons likely to prove efficient might be attached to the Departments of Account, and that when found to be so, their allowances should be so arranged as that they should remain in those departments, instead of seeking promotion elsewhere, and thus become qualified to succeed to the higher stations.

"We regret, however, to observe that these instructions have not been so acted upon as to secure the object which we had in view.

* * * * * * *

Para. 8.—Reviewing the remarks above quoted, after the lapse of 4 years, our conviction of their soundness and importance remains unimpaired, and we cannot but feel some anxiety lest the abolition of the office of Deputy Accountant General should operate injuriously with respect to the realization of the views above expressed. It is the withdrawal of a link connecting the highest office in the Department with the subordinate offices, the removal of an object of legitimate ambition to those of our junior servants, fitted by natural and acquired qualifications, and disposed by the bent of their minds, to pursue this branch of public business. The pursuit is, we fear, in itself attractive to few, and the amount of encouragement to its cultivation should be increased rather than diminished. We have often been compelled to express our disappointment and disapprobation in consequence of its neglect, and we must repeat that we entertain very considerable fears that the steps which you have taken in abolishing the office of Deputy Accountant General may lead to consequences which you did not contemplate, and which we should very seriously lament.

* Resolution No. 66., dated 29th August 1862.—(*Calcutta Gazette*, page 3049).

"His Excellency the Governor General in Council observes that a general impression seems to exist that the prospects of clerks will be injuriously affected by the Resolution of last May, and that they will no longer be eligible to the higher posts to which they have hitherto looked forward. This impression is erroneous.

"The chief assistants in the several offices are admitted into classified grades, and the Resolution provides that the report of the head of the office in which a vacancy occurs shall be considered before such vacancy be filled up."

It must however, be observed that in the class of Chief Superintendents some of the prospect held out to clerks before 1862 has been restored.

11. It may be noticed in passing that, apart from pay, the Department is made singularly unattractive; the work is to most men distasteful, and it is performed in the most expensive cities and generally all the year in the plains; the transfers from province to province are very expensive; no complimentary recognition of service is ever afforded. For more than 20 years no experienced Account Officer has ever appeared in an Honors list in the Legislative Council of any province; or been chosen for a higher appointment outside the Department; it is little wonder that ambitious men are not attracted.

12. It was no doubt in recognition of some of these conditions that Government in 1857 decided "that the prospect of remuneration should be somewhat better than in the general line of the Service" (paragraph 9, page 2); and where the present scale fails for Covenanted men is in not saving from loss those who after some years' training are still without prospect of an Accountant Generalship, and who therefore go back to the ordinary line to be Collectors or Judges.

13. The Enrolled list was formed in 1862, so that all should be on the same footing in the Department as Covenanted Civilians; accordingly, after a considerable promotion of non-gazetted Assistants, recruitment has chiefly been by first appointment of young Englishmen who are of precisely the same class as Covenanted Civilians; indeed, in many cases near relatives of distinguished Indian Officers. Now, however, that the conditions of service are changed and Uncovenanted Enrolled officers are to be in an inferior position, the policy of recruiting in this manner is open to great doubt; there will be of course no breach of agreement in the case of Uncovenanted men appointed after 1880, but its hardly in human nature that these men will serve contentedly under Covenanted Officers many years their juniors, and to whom they have taught their account work. At the same time, unless all classes are promoted alike; this must often happen.

14. The feeling is not, I think, so much on a question of individual promotion as against a stamp of inferiority on the class. In the debate on the Civil Service Act,* the Secretary of State, Sir Charles Wood, and the ex-Secretary of State, Lord Stanley (now Lord Derby), agreed that a rigid exclusion of Uncovenanted Servants from the higher offices must lead to discontent, and the association of men of the same class to do the same work, with the restriction of all the prizes to one portion of them, must create this discontent in its most aggravated form. I do not think that such an arrangement can be considered politic.

*Hansard, 6th June 1861, pages 655 and 658.

15. Further, even if the system were good, the present mode of recruiting the Enrolled list is not satisfactory. The pay is such that if appointments were made at home either from men who have shown competent knowledge, but failed in the competitive examination for the Covenanted Service or by open competition, a better average might be expected than from a competition among three men who have thought it worth while to come from England on the chance of success, or who are out of employment in India.

16. The scale of pay is also unnecessarily high for a general service of Natives of the country. Men of the best education can be obtained for Rs. 100 a month, and prospect of promotion by merit with prizes in the future.

17. There is a positive advantage in an Account Department in not making the initial pay too attractive. The taste and talent for accounts are peculiar, and no examination in school work will test them; it is better therefore to begin for a short time with a salary below the candidate's abilities. Let promotion follow quickly if he succeeds; if he fails, let there be no temptation to keep him from seeking more congenial duties elsewhere.

18. On the whole, then, I consider the present system of the Enrolled list unsatisfactory, and would recommend the cessation of all future appointments of Uncovenanted Officers to it. As vacancies occur, I would, for some time to come, add to the classes of Chief Superintendent or Subordinate Accounts Service.

19. The appointments for which provision must be made are—

1	Comptroller and Auditor General.
5	Accountants General.
5	Comptrollers.
3	Deputy Comptrollers General.
5	Deputy Accountants General.
2	Currency appointments.
17	Assistants.
38	
8	Probationers.

20. I think that half, say 19 appointments and 4 probationerships, might hereafter be filled from the Chief Superintendents and Subordinate Accounts Service, and therefore practically it is useless now to suggest any further general change, since it will be many years before the present Enrolled list will shrink to the number of offices for which men of that class are necessary. When that occurs, it may be well to bring in more Covenanted Civilians of 5 years' standing to qualify

for the higher appointments; but all experience shows the uselessness of laying down any elaborate scheme for a distant future of the Department.

21. There is, however, one change that I think might be at once made with advantage as regards Covenanted Civilians. Let officers of 5 years' service be considered at first as on probation for 2 years. If at the end of this time they choose to remain in the Department, and are considered suitable for it, let them be guaranteed pay equal to the average of that obtained by men of like standing in the general line of service, but no longer have the option of re-joining the general line whenever they please. In this way we should keep suitable men at a very small extra expense.

22. Lastly, it would improve greatly the tone of the Department if an assurance could be given that one Accountant Generalship at least should always be held by an Uncovenanted man, provided there was one so qualified, that, in the words of the Act, it might appear to the Government that such appointment, under the special circumstances of the case, should be made without regard to the recited qualifications, &c. There seems to be an opinion that in practice this would generally be the case; but there is a wide difference between an occasional irregular appointment and a recognition of the general fitness of efficient Enrolled Officers to hold such a position in their turn. With this concession in point of status, and the additions already made to the first class appointments, the changes made by the Resolution of 1880 would be greatly softened to the Enrolled Officers.

23. As regards the employment of Natives, the present proportion of appointments in the Enrolled list is one Native to two Europeans. As Natives take less furlough and serve longer, the proportion of Native Officers on duty would eventually be greater. If the Enrolled list is preserved, I do not think at present any change should be made in this respect. There are some appointments in the Department where I think the greater firmness of the European character and a knowledge of European habits are specially desirable; but for ordinary account work the choice between European and Native may follow any general rules that may be made for other Departments. If fresh appointments to the Enrolled list be stopped, there is little doubt that a due proportion of Natives will always be found among the Chief Superintendents and Subordinate Accounts Service.

24. These two services are in fact one, except that the Chief Superintendents are Gazetted Officers; they require no change except the increase I have suggested in lieu of Enrolled Officers. The Chief Superintendents are almost invariably recruited from the Subordinate Accounts Service. I believe there has been only one exception where an English trained Accountant was appointed. The Subordinate Accounts Service is recruited partly by promotion of deserving clerks, and partly by direct appointment of men of special qualifications or superior education. The appointments and promotions are made by the head of the office, subject to a veto by the Comptroller General; and to secure this veto being effective, periodical reports are made not only on the members of the Service, but on the clerks most promising for promotion.

Note by the Departmental Member, Punjab.

Sir Charles Turner has asked me to prepare a brief Note dealing with a statement which has been made to the effect that, under the recent reorganization of the Accounts Department, the salaries of the Uncovenanted Officers have been reduced in order to provide higher pay for the Covenanted Officers.

2. I have never heard this allegation made before, and have not therefore ever studied the question from this point of view. But the materials for forming a judgment on the allegation are to be found in the collection of papers relating to the Department already in the hands of the Committee; and the Committee from a perusal of these papers can form their own conclusion.

3. The following notes may assist in forming a judgment on the question—

(1) The scale of pay and the number of Civilians and Uncovenanted Officers in the Accounts Department in 1857 is given on page 3 of the Collection. The cost was Rs. 43,399 a month.

(2) In 1862 the scale of pay and number of officers in the Department is stated at page 10 of the Collection. There were 17 Civilians and 11 Uncovenanted Officers in the Department, costing Rs. 42,450 a month.

(3) From 1862 onwards there appears to have been (page 13 *et seq.*) 10 Civilians and 42 Uncovenanted Officers in the Department. In 1865 there was apparently only one appointment on Rs. 1,500—2,000 held by an Uncovenanted Officer, which was held by the Assistant Secretary. Below this two appointments on Rs. 1,000—1,500 were held by Uncovenanted Officers. The cost of the Department is not stated.

(4) In 1876 (page 33) there appears to have been 8 Civilians and 52 Uncovenanted Officers in the Department. The cost of the Department is not stated. Three Uncovenanted Officers—one, the Assistant Secretary—held appointments on Rs. 1,500—Rs. 2,000, and three Uncovenanted Officers held appointments on Rs. 1,000—Rs. 1,500. Recruitment from the ranks of the Civil Service had ceased.

(5) In 1879 there appears to have been 6 or 7 Civilians in the Department and 44 Uncovenanted Officers, including probationers. This is according to the Financial Department lists. The sanctioned scale is given at paragraph 45 of the Collection. The actual cost is stated to

be Rs. 44,225 a month. The pay of the 7 Civilians in the Department on 1st August 1879 was as follows:—2 at Rs. 3,000; 1 at Rs. 2,500; 1 at Rs. 2,250—Rs. 2,750; 3 at Rs. 1,500.

(6) After the reorganization in 1880 the number of Civilians in the Department was fixed at 8, subsequently increased to 9. The pay of the 8 Civilians was fixed at the following rates:—2 at Rs. 2,750;* 2 at Rs. 2,500; 1 at Rs. 2,250; 1 at Rs. 1,250—Rs. 1,500; 1 at Rs. 1,000—1,250; 1 at Rs. 800—1,000.

(7) It is obvious that the pay drawn by the Civilians is on an average less than it was before the reorganization, and the same will be found to be the case the further back the calculation goes. Thus (page 13) in 1865, the pay of the Civilians was—2 at Rs. 3,000; 3 at Rs. 2,500; 2 at Rs. 2,000; 2 at Rs. 1,500.

4. I do not think a perusal of these papers—the Collection—can show that the average salaries and the total cost of the Civilian element in the Department is now less than it ever has been.

5. It is true that the reorganization transferred a number of junior appointments in the Enrolled list into Chief Superintendentships, but I take it that this was the outcome of the deliberate policy of the Government of India, and that it is not unlikely that this policy may have further extension. It certainly has no *necessary* connection with the placing of Civilians on the Enrolled list.

6. The following figures showing the pay of certain Uncovenanted Officers on different dates may be of interest:

	1st January 1879.	1st February 1887.
	Rs.	Rs.
Mr. A.	950	2,000
„ B.	1,000	1,900
„ C.	1,000	1,900
„ D.	1,000	1,350
„ E.	1,300	1,900
„ F.	800	1,250
„ G.	800	1,250
„ H.	600	1,025
„ I.	450	750

It will, I think, be admitted that the increase is not bad. It will bear comparison with that in the Civil Service, and show better results.

7. With regard to Mr. Gay's Note, dated 18th April 1887, I will only say that if (paragraph 22) one Accountant Generalship is to be ordinarily held contrary to, or after modification of, the accepted interpretation of the Statute by an Uncovenanted Officer, one at least of the 1st class Enrolled appointments should ordinarily be held by a Civilian, if qualified. I think myself that as the Comptroller Generalship, the most important Accounts appointment, is, and will be, ordinarily held by a Covenanted Civilian, a Civilian should, if fit, hold the appointment of Deputy Comptroller General. He would thus acquire a knowledge of the Comptroller General's duties, which would be of the utmost value if he ever became Comptroller General.

No Civilian has ever acted in Class I of the Enrolled list, and this class is at present by the constitution of the Department practically closed to Covenanted Civilians.

Note by the Departmental Member, Madras.

In reply to Sir Charles Turner's request for a note on the duties of the Accountant General, and of the extent to which the Accountant General is consulted on financial questions by the Local Government.—

1. The duties of the Accountant General are described in parts of Chapter 16 and in Chapter 79 of the Civil Account Code, and under these rules he is, *inter alia*, required to see that the Account and Audit regulations are observed both by the Local Government and by individual officers; and to request where, in his opinion, it is necessary that rulings of the Local Government be submitted by them to the Government of India for orders. The Accountant General, in subordination to the Comptroller General, is entirely responsible for the management of the Public Balances.

2. The Local Government refer to the Accountant General questions regarding leave, pensions, pay and allowances, and any other matters on which they desire his advice. On this point I quote from Mr. Byrne's Inspection Report, dated 25th October 1883.

Reports are called for from the Accountant General to an extent unknown in any other Account office, except in "Bombay. Elsewhere he is consulted only upon special questions when a professional opinion is wanted. But in Madras "he is required to advise upon almost every subject that comes before Government for consideration; and his duties in this "respect are those of a Financial Secretary."

* NOTE.—It must be remembered that one of these two appointments was filled by an Uncovenanted Officer, Mr. Gay.—R. L.

Section III.—Sittings at Calcutta.

WITNESS No. I—*1st April 1887.*

Examination of E. A. KELLNER, Esq., Deputy Comptroller General, Accounts Department.

The *President.*

What is your position in the Department?—I am Deputy Comptroller General drawing Rs. 2,000 per mensem.

Were you born in this country?—Yes, of parents domiciled here. I was educated at the Doveton College. I was 17 when I entered the Department as clerk in the Treasury on Rs. 30 in 1870. I entered the higher branch of the Department as Third Assistant Comptroller General. I held the appointment of Deputy Comptroller General under the organization of 1862, and continued to hold it after the reorganization of the Department in 1880.

Will you kindly tell us how the Department is organized?—The recruitment of the Enrolled grades is at the present time made partly by the appointment of Civilians, and partly by the appointment of persons not in the Covenanted Civil Service. As regards Civilians, the Government selects such officers from the general list as it thinks suitable to the Department, and they enter for training; and when they are supposed to have received the requisite training, they are given the appointment of Accountant General. There are four principal Provincial Accountants General. There are also three appointments in the Enrolled list, as it is called, which are reserved for Covenanted Civilians: one is in the 3rd grade, and carries a salary rising from Rs. 1,000 to Rs. 1,250; and two are in the 2nd grade with salaries rising from Rs. 1,250 to Rs. 1,500. With regard to the admission of Covenanted Civilians, I wish to point out that, under the organization of 1862, the whole of these appointments, including the Provincial Accountant Generalships, were thrown open to every qualified person on the Enrolled list; whereas under the reorganization of 1880 these appointments are reserved for gentlemen in the Covenanted Civil Service. In regard to this point, I wish to lay before the Committee some passages taken from papers which are in the hands of the Committee. First, in regard to the training of the officers for these appointments, I would refer to pages 6 and 7. It will there be seen that in the orders of 1862 and 1863, which, I may say, were issued at the time when Mr. Laing was Financial Member of Council, the following passages occur:

Mistakes of this magnitude are now, it is believed, impossible, and the exertions of the Accountant and Auditor General are bringing us to a point where we may hope to have reliable returns of actual receipts and expenditure under each principal head of the Budget within two months latest after the close of each month. But the maintenance even of present results is endangered by the increasing difficulty of obtaining officers of the "Covenanted Service," who are willing to abandon the regular line of service for the Financial Department, and of retaining those we have, without such frequent changes as necessarily greatly impair the efficiency of their officers.

An office of Account is one which peculiarly requires a fixed head who thoroughly understands his work, and knows the character and capabilities of those who work under him.

The *President*—contd.

Of 20 officers now holding the principal offices of Account and Audit, no less than 14 are acting away from their own proper posts in temporary appointments. Under such circumstances it is creditable to them that they have been able to effect improvements at all, and it would be unreasonable to impute blame to individuals, because they have not at once succeeded in obtaining the efficiency of the English system which has been the growth of centuries.

At the same time it is evident that such efficiency can never be expected under a system which confines all the higher posts to men who had no previous training, and necessitates constant changes of office to meet legitimate claims to advance of salary; while it is equally clear that it is not, and rarely can be, worth the while of a Covenanted Officer to attach himself to the Department of Finance and Account unless he can commence by holding a high post, and be almost certain of changing to other posts still higher after a comparatively short period.

I would also ask attention to a passage on page 11 which occurs in the same Resolution:

No young man, however able, can be expected to deal with financial subjects without long preparation, and attempts to do so would only waste time and divide responsibility.

I would also ask attention to a passage on page 34 in a Despatch from the Secretary of State, paragraph 9, which runs as follows:

I foresee the probability that such a modification as I indicated may be impracticable without some increase of the salaries attached to Financial offices, but I deem it of such paramount importance to secure a succession of thoroughly trained officers for that Department, that I shall be prepared to sanction any reasonable additional charge which you may consider necessary.

I quote these passages in order to show that the Government for many years has insisted on a thorough training as a necessary preparation for its high financial appointments. The next passage I wish to notice is on page 42 from a Minute by General Strachey, at that time Financial Member of Council. At the bottom of that page he says:

Admissions in any of the higher grades, however, should not be entirely prohibited; though, having in view the necessity of securing the requisite training and experience for the superior posts, this would be an altogether exceptional course when the Department is brought into proper working order on the new system.

The next passage I wish to draw attention to is at page 47, where we have the opinion of Lord Northbrook on the subject quoted by Sir Alexander Arbuthnot:

It may be the fact that of late years the Covenanted Civil Servants who have filled the higher offices have been able men; but it cannot be said that this has been the general experience of the past; and on this point I see much force in Lord Northbrook's remarks that, "generally speaking, accuracy in accounts is not characteristics of the Civil Service"; that "it requires a special training and a class of intellect which we are not likely to secure by public competitive examinations;" that "methodical treatment of accounts can only be secured by employing men who have spent their whole lives in the particular work"; and that "it is impossible to secure this, if the Department is to be filled to

The *President*—contd.

any considerable extent by members of the Civil Service"; for "the moment their pay becomes a trifle less than that enjoyed by others of the same standing, they will wish to go, and there will be a constant succession of men in the higher offices of the Financial Department whose training in accounts must necessarily have been superficial."

All these quotations I think show clearly that the Government was insisting upon a continued and persistent training for the higher offices in this Department. I would now quote from pages 49 and 50 a Minute by Sir John Strachey, then Financial Member of Council. Sir John Strachey, although he approved of training, yet he did not attach so much importance to it as Mr. Laing and Lord Northbrook. He says at the bottom of page 49:

> Successive Financial Secretaries and Comptrollers General have, without exception, protested against the policy of making separate arrangements for manning the chief offices in the Financial Department of the Administration; and my own experience leads me cordially to agree with them in thinking that the Department gains far more by the experience acquired by its Covenanted Members in the general administration, and by their weight and influence as members of the Covenanted Civil Service, than it loses by their not having been trained in their early life to keep accounts. I do not think that one of the more experienced officers of the Department, Covenanted or Uncovenanted, would be found to question this.
>
> My own experience, and that of the heads of the Department, satisfies me that the advantages to the superior officers of the Financial Department of a long training in the practical work of Accountants may easily be overrated. An educated public officer of ordinary intelligence has no greater difficulty in speedily mastering the mysteries of the public accounts than he has in learning the details of any other of the various public duties which Covenanted Civil Servants are required to perform.
>
> Of course, it is desirable that the officers chosen for the public service in the Financial Department should have manifested some special capacity for the class of subjects with which they will have to deal. But there is usually no difficulty in finding officers possessed of such preliminary qualifications; and, in fact, we have during the last few years added five Covenanted Officers to the Department, all of whom have proved well worthy of the confidence placed in them, and two (Messrs. Westland and Barbour) have shown unusual financial abilities.

The Committee will see from this that Mr. Laing and Lord Northbrook insisted on long training, and that Sir John Strachey did not attach the same importance to it. In my opinion training is as important an element in the qualification of a Financial Officer in India, and I suppose anywhere else, as a good general education, and my objection to the recruitment of Civilians is that the pay and the prospects which they enjoy in the general service are such that we cannot get them to remain long enough in the lower grades of the Financial Department, so as to undergo the preparation which appears to be necessary to fit them to fill efficiently the appointment of Accountant General. Another objection which I submit to the Committee against the practice of recruiting Civilian Officers is, that it reserves to them the appointments of Accountants General in the five principal Provinces of India. Upon this point I would ask the attention of the Commission to Statute 24 and 25 Vic., Cap 54. The Government has quoted this Statute in the orders of 1880 as justifying the measure by which they reserve these appointments to the Covenanted Civil Service, and I would ask the Committee to refer to for themselves. I think they will find that the Statute is what may

The *President*—contd.

be called an "enabling" Statute—that is, it was passed, I submit, with the object, not of excluding from these posts competent men outside the Covenanted Service, but of giving the Government power to bring in competent outsiders who are not members of that Service. I submit that these five appointments should not be reserved as they are for the Covenanted Civil Service. I do not object to the admission of Civilians into the Department. I think the Department benefits by the admission of Civilians, but I think they ought to undergo more training than they do, if they are to hold the higher appointments. I say that training is not only necessary to enable them efficiently to perform the duties of these appointments, but also to enable them to give the requisite training to the junior officers of the Department, who have no other professional training than what they receive in our Account offices; and therefore I think our Account offices should be presided over by officers who themselves have had a sufficient preparation, and are able also to train the junior officers. As regards the admission of Natives to the Department, I think the present arrangements are satisfactory. Natives are selected, and they undergo a competitive examination which is conducted by the Presidency College in Calcutta; and I do not think that any change is necessary in regard to them. But I think some change is required in regard to the European, Anglo-Indian, and Eurasian members of the Department. With one exception, for many years the whole of those who have been admitted to the Enrolled list who were not pure Asiatics have been young men educated in England. I think that the students of the Anglo-Indian and European schools and colleges in India ought to be allowed to compete for some of these appointments. Of course I do not profess to lay down any proportion in which appointments should be thrown open to persons of this class, but I consider that the time has come when the opportunity should be given to young men of this class educated in the country to compete for some of those appointments. As regards pure Europeans and other members of the Department educated in England, I think it would be an advantage if, instead of requiring young men of that class to come out to India and compete for appointments in this country, such appointments were made in England by the Secretary of State in the same way as the Telegraph and the Public Works Departments are recruited for. As regards their training, I think our present arrangements are sufficient to impart the necessary training, provided those who are responsible for conducting that training and for administering the rules which relate to the duties of junior officers on probation, and that kind of thing, are themselves thoroughly acquainted with those duties and with accounting generally. It seems to me that quite as much depends upon this as upon any code of rules laying down what particular books shall be read, or what particular processes shall be observed by the officer under training. In regard to the Uncovenanted members of the Department, I should like to bring to the notice of the Committee that the whole of the Provincial Service in the smaller Provinces like Burma, the Central Provinces, Assam, and Hyderabad are entirely administered by Uncovenanted Officers. The

The *President*—contd.

Comptroller is always an Uncovenanted Officer; his Assistant, if he has one, is also an Uncovenanted Officer; and, so far as I am aware, I do not think that any objection has been raised—I certainly have not heard of any—either to the capacity or the conduct of officers who have held the appointments of Comptroller in those Provinces. I would also like to bring to the notice of the Committee that some of our Uncovenanted Officers, although considered unfit to be Provincial Accountants General in India, have attained to distinction as Finance Officers out of India and in England. I would quote the names of Sir George Kellner, Sir Gerald Fitzgerald, and Mr. Elwyn Palmer, now Comptroller General in Egypt. These men, who under the regulations of Government and the interpretation put by the Government upon the Statute I have quoted are not competent to be Accountants General in India out of India, have held even higher offices. Sir George Kellner was Assistant Paymaster to the Court of Chancery, after having been Financial Member of Council for Cyprus, and after successfully carrying out financial mission to Canada and America. Sir Gerald Fitzgerald was Comptroller General of Egypt, and is now Comptroller of the Navy in England; and Mr. Elwyn Palmer is Comptroller General in Egypt, as I have already said. All these facts tend, I think, to show that the Uncovenanted element in the Financial Department is really not incompetent, and that when they have had the opportunity out of India, they have done good Financial work.

There is, perhaps, one other point which I ought to mention, and that is the present proportion of Natives to Europeans in the Department. The present proportion is one-third Natives to two-thirds Europeans. We have not yet attained to the promotion of one-third Natives, because the rule which favors this proportion has not been long enough in operation. But I hope that in time it will be fully carried out, and that we shall have one-third of the Department composed of Natives. I think, for the present at least, and perhaps for some time to come, it would not be wise to alter this proportion. I think that so long as the circumstances of India are such that the other Departments and the general service must be largely European, the Financial Department must follow the usual proportion and rule in these cases. Our Financial Officers have to challenge the acts and decisions of higher public officers, and sometimes of Provincial Governments; and in the present circumstances I think that the officers who are to be in a position to do this should be Europeans, except under exceptional circumstances, when I have no doubt that a Native gentleman fully qualified for the work may occasionally be found. In connection with our reserve work and the movements of funds, we are obliged to take advantage very largely of the commercial arrangements of the country for the time being. We have to do largely with European firms and banks; and therefore a Financial Officer, who mixes much with Europeans, and is acquainted with their methods of doing business, is more likely to give satisfaction and carry out these arrangements thoroughly than a gentleman who has not these advantages. There is one other reason, and that is that our Financial Officers

The *President*—contd.

are moved about all over the country, and I think European Officers can move about more freely and easily than Natives.

Would not a proportion of one-third of Europeans in the Department be sufficient for all the purposes of control and supervision?—I hardly think so. We have now five Deputy Accountants General and four Comptrollers in the higher grades; a third of these might be Natives.

You think that a proportion of one-third of Europeans would not be sufficient?—Not at present.

Assuming that Natives were now admitted freely to the Department, it would be a matter of 20 years before they attained to the higher grades?—No doubt.

You say European Officers are better able to provide for the requirements of commerce. Are there not at the present moment many Native firms who are largely engaged in trade, and have they not a good deal of experience of the money markets of the different commercial centres?—Yes.

Are you aware that before an English bank was established in India there were Native bankers who dealt with moneys at Calcutta, Madras, and Bombay from a common centre in the North-West Provinces, and was not the largest bank in India at Mutlah?—Quite true.

Are you also aware that for centuries very large sums were transmitted by Native bankers from one part of India to another—for instance, from Southern India to Benares—for commercial and religious purposes?—Yes.

It would seem, therefore, that Native agency is competent to undertake the movement of money?—I think, as a matter of fact, the Government arrangements for the movements of funds are conducted chiefly through the banks, and I am not aware that on any large scale any Native banker or firm does its business in that way.

Are the Bill brokers in Calcutta all Europeans?—I do not think we deal with Bill brokers. We deal entirely with European banks and firms both in Calcutta and Bombay.

Is there any necessity for these frequent transfers of officers from one place to another which you give as your third reason for the employment of European agency in positions of control, or is it merely a matter of promotion in the Department?—I think it is a matter of necessity. I think it would be a great disadvantage to the Department if officers were not transferred from time to time.

Is it not desirable in the Financial as in other Departments that the head of the Department should be sufficiently long in a place to become acquainted with his subordinates and with local requirements?—Certainly.

What is the necessity for so frequently transferring the junior members of the Department?—They fill vacancies caused by men going on leave or furlough.

The *President*—concld.

Then it is a fact that promotion necessitates these frequent transfers?—Yes, together with illness and leave.

Many of the officers in the Enrolled grades received their education in England, but were appointed in India?—Yes.

Supposing it to be necessary to continue appointing gentlemen to this Department who have received a European education, do you think it desirable not only that they should be appointed by the Secretary of State, but that they should have had some technical education in England?—I cannot say that I do.

Would it be expedient that they should have had some acquaintance with the actual working of the Financial Department in England?—I think that to send an inexperienced young man to a public Financial office in London to pick up what knowledge he can would not do him much good. It is all very well for a man who has had some training in India to go to England, because such a man knows what is wanted, and the points which need to be cleared up and established.

I believe that on more than one occasion you have obtained the services from England of gentlemen experienced in English Account offices?—Yes.

Is there any reason why the competition for appointments in your Department should be limited to three nominees for each vacancy?—No; certainly.

Would you get better men if you had a more open competition?—I would not have an open competition. I would have nomination and competition combined.

With a competition, limited as you suggest, but less limited as regards numbers than the competition is now, do you think you would get better men?—Yes; at the same time I do not mean to cast any imputation on the men we have already.

The Hon'ble Mr. *Quinton.*

Why not have an open competition?—I think that with a system of nomination and competition combined you have a better guarantee of character, respectability, and position.

The *President.*

Have the men you have obtained under the present system always been satisfactory?—It cannot be said that every man who has entered the Department has proved satisfactory.

Has the existing system of recruitment prevented the admission to the Department of men who were below the average standard of education?—I think we have occasionally got men who were not suited to the Department, and who have not turned out satisfactory Financial Officers.

Was the defect you mention such as could be detected by examination?—I suppose it was.

How many vacancies are there to be filled up yearly in this Department throughout India?—Within the last two years we have had rather many vacancies.

The *President*—contd.

Do you know whether any of the gentlemen obtained by the present system are men who have failed in examinations in England—for the Army, for instance?—I do not.

Supposing there were two vacancies to be filled up in each year, do you think there are a sufficient number of young men in India with sufficiently good educational qualifications to fill them?—I should hope there would be. At present the sons of persons settled in India are practically excluded.

Is that because they have not sufficient interest to obtain nominations?—I do not know.

The Hon'ble Mr. *Quinton.*

Is it necessary for the maintenance of the efficiency of the Department that a proportion of its officers should have been educated in England?—I think it is. I think it gives tone and position to the Department.

The *President.*

In what manner has the Department benefited by the introduction of Covenanted Civilians?—It has secured men of a high standard of education and acquainted with the general administration, whose district experience is useful in many ways.

Would not the presence of such men give the desired tone to the Department and make recruitment from England unnecessary?—Yes, if we could persuade them to remain in the Department.

Apparently under the present organization there should be at least five Covenanted Civilians in the Department?—These five men are required under present arrangements for the five principal offices, but some of the same class are needed to supply vacancies in the lower grades.

Do you know anything of the boys educated in the Mussoorie or in any other hill schools?—I cannot say that I do.

What duties do the Accountants General discharge?—The ordinary duties of Accountants.

Is it necessary that they should thoroughly understand the system of audit?—Yes.

If you had only to appreciate the results of accounts, I presume that any man of good intelligence would soon make himself master of that?—Yes.

But to understand the necessity for certain rules of audit requires a training by a professional Auditor?—Yes.

May it not be that the differences of opinion apparent among the authorities you have quoted arose from the fact of their having approached the question from different standpoints?—Quite so. The Accountant General is an Executive Officer; he actually takes, or is supposed to take, part in the compilation of his accounts, and is supposed to be responsible for the results of his compilations; and it seems to me that he ought to have been specially trained to the work.

Have you ever performed the work of an outside Auditor?—Yes.

The *President*—contd.

Have you seen the kind of work which is performed in India outside the Department by professional Auditors, and compared it with the audit work of the Department?—I have not been able to make a comparison between the work of the Department and that of private firms, but I have compared the work done by the Department with that done by Accountants in banks, and I think the quality of the work done by the Department is superior.

On what grounds do you dissent from Sir John Strachey's opinion?—I think accounting is as much a profession as the profession of a Surveyor or a Doctor. It requires training, experience, and method.

While two sets of accounts may be equally serviceable for the mere purpose of showing expenditure and income, may not one of them be vastly better as enabling you at any given moment to appreciate the financial position?—Quite so.

And as affording ready checks to error?—Yes.

And it is the business of an Accountant to bring such a system to its utmost perfection?—Yes.

Mr. *Gay*.

I believe you have had experience in all branches of accounts?—Yes.

You have acted as Accountant General?—Yes, for short periods.

The *President*.

Solely from the point of view of the Accounts Department, do you consider it necessary or desirable that the whole of the appointments in the Accountant General's grade should be reserved for Covenanted Civilians?—I do not.

Do you consider that the Financial Secretary to the Government of India should be a Civilian?—In appointing to that office the Government should be free to exercise the widest discretion and get the best man it can in the Covenanted Service or out of it. Usually, I think, it would get the best man in that Service.

Is it desirable that the holder of that appointment should have had some training in your Department?—I think not. He has the Comptroller General and the various Accountants General to certify to the preparation of results. He has nothing to do with the preparing of the accounts; he has only to review the results prepared for him.

Is it not the duty of your Department to take care that the Government Treasuries throughout India are supplied with sufficient cash?—Yes. We receive monthly returns from the Treasuries and from Departments like the Military, Public Works, and Post Office. We see how much money we want, and we regulate our balances accordingly; we know how much revenue may be expected in a month. We are obliged to ascertain the resources of each Treasury, the receipts and payments, and keep a sufficient balance in hand to meet requirements. It is the Comptroller General's duty to see that these returns are regularly submitted.

The *President*—contd.

Have you a European Comptroller General in all the Provinces?—We have a European Accountant General in each of the five principal Provinces.

You say there are some smaller Provinces where the staff of the Department is entirely composed of Uncovenanted men?—Yes.

Who fills the post of Comptroller there?—The Comptroller is an Enrolled Uncovenanted Officer. At present they are all Europeans, but members of other classes have held those offices.

Have there been Native Comptrollers at any time?—I think not.

Eurasians?—Yes.

Have they very much the same duties to perform as the Accountants General in larger Provinces have, only on a smaller scale?—Yes.

I believe your office now takes upon itself to audit the accounts of a good many other Departments?—Yes.

It has charge of what are called the outside audits—has it not?—Yes.

The audit of the accounts of the High Court for instance, and the accounts of the Official Assignee and the Official Trustee?—Yes, and also of the Administrator General.

Many of these offices are held by Europeans?—Yes.

Is it necessary that you should have Europeans to make these audits?—No. Our present outside Auditor is a Native gentleman who discharges the work very well indeed.

Then in him we have an instance of a Native gentleman in the Finance Department being brought in contact with European Officers and doing his work without friction?—Yes, but he is not independent; that is, any objection he may take is subject to the orders of the Comptroller General, who, if the objection is good, joins in the protest, and the review or objection, or whatever it may be called.

The Hon'ble Mr. Justice *Mitter*.

The present rule provides for one Native of pure Asiatic descent in every three appointments. Is not this in contravention of 33 Victoria, which says that no person shall by reason of descent, place of birth, colour, or creed be debarred from any appointment in the public service the duties of which he is competent to fulfil?—In the first place, I do not think there is any rule to that effect; but that it is a matter of discretion with the Government.

Assuming that it is, as you say, merely a matter of practice and not a hard-and-fast rule, is not a practice which excludes Natives of pure Asiatic descent from unrestricted participation in these appointments in contravention of that Statute?—I do not think so. The Government selects for these appointments the persons who in its judgment are best fitted to hold them. It gives no reason for appointing or not appointing any person. The practice has come to be that one-third of the appointments are given to pure Asiatics; but I do not think that the Government has laid down any rule to that effect.

The Hon'ble Mr. Justice *Mitter*—contd.

Are you aware of any instances of Government departing from that practice by allowing any Native of exceptional ability to compete?—I am not.

What is the objection to a Native being in a position to challenge the accuracy of accounts filed by Civilian Officers?—No objection in the world. What I mean to say is that, if an objection was raised by a Native gentleman, it might not be received in the same way as if it had been raised by a European.

Why not?—I think it is simply because the Native gentleman would not be personally acquainted with, nor mix with, Europeans in the same way that a European gentleman would do. We all know that personal intercourse and acquaintance tend to smooth down many irregularities which occur in course of business, and which might otherwise occasion friction.

Then you think that in an official correspondence it is desirable that the parties corresponding should be on some terms of social intercourse?—I do not say more than that it smoothes the way of business when there is intercourse of that kind.

Do you really apprehend that there would be friction if a Native Officer were to challenge the accuracy of the accounts of a European Officer?—As a matter of fact it might be so.

Do you know any instance of its having occurred?—It is my personal experience, extending over many years, that when the officer raising the objection is not personally known to the person concerned, his objection is regarded in a different way than it would be by an officer to whom he is personally known. In my own case, on two or three occasions, my objections have been received as rather personal, or perhaps as strict and harsh, until I have gone and talked over the matter when the difficulty has been removed.

Might not the same thing happen in the case of a Native Officer challenging the accounts of a European Officer?—It might, perhaps.

Do you really think that Europeans are better acquainted with the requirements of commerce than Natives are?—Our reserve transactions are managed almost entirely through the large European banks and commercial firms; and I think that a European Officer who mixes with the managers of those banks is in a better position to get information about the methods of doing business and advantages of that kind. It is my experience that when you know the person with whom you have to do business and understand him, you can do business more thoroughly and easily than you would otherwise be able to do it.

Is it because of his being acquainted with the managers of banks and commercial firms, or because as a European you think he would have a better knowledge of the course of commercial business, that you would prefer to employ a European in positions like these?—I think a European who mixes with managers of large banks and firms, and so on, is in a position to obtain more information about the requirements of trade and matters of that kind, and is thereby enabled to carry out his arrangements.

The Hon'ble Mr. Justice *Mitter*—concld.

Are you aware that in the High Court on the Original Side Mr. Banerjee is retained in as many commercial cases as any other Barrister?—I believe so?

And that as a Barrister he is expected to know the requirements of commerce in dealing with questions of fact?—Yes.

Are you aware that in Calcutta all the Banias in the Mercantile offices are Natives?—Yes.

You say that Natives do not show so much readiness in moving about when they are transferred as Europeans do?—You may state it in that way. It is a little stronger than I put it.

How do you put it then?—I just gave it as my opinion that Natives would be more reluctant to move about on short notice from family considerations and reasons of that kind.

Would they refuse to comply with an order to transfer themselves to another district?—I do not think that they would go so far, because a refusal would entail loss of appointment.

Are you aware of any instances in which they have shown this reluctance?—Yes.

How many?—I think there was a case recently where a Native gentleman showed his reluctance to be removed from Calcutta and his family, and I think actually begged that he might not be sent. He certainly did not go to the length of refusing to go, but he demurred to going. There have been other instances of the kind, though I have not kept note of them all.

Are you aware of any instance of a Native Officer having refused to comply with an order to transfer himself, and having been dismissed in consequence?—No.

Do you think the standard of examination is sufficiently high to guarantee fairly educated men to the Department?—Yes.

You would not include any other subjects in the examination?—No.

The Hon'ble Mr. *Quinton*.

I believe Accountants General are not included in the Enrolled list?—No.

Those appointments are really guaranteed to the Civil Service by Act of Parliament?—An appointment under that title is in the schedule to the Act of Parliament.

And the Secretary of State, under the power given to him by that Act, has sanctioned the appointment of outsiders?—Only on one occasion within the last 25 years has the Secretary of State exercised that power.

Has that instance been in connection with the Finance Department?—Yes.

Was not Sir Henry Durand appointed under that Statute?—Yes.

Then your previous answer was incorrect?—Yes, in so far that I should have said two instead of one.

The Hon'ble Mr. *Quinton*—contd.

How many Natives are employed in the Enrolled list?—Six out of forty-one, including Covenanted Civilians, or six out of twenty-eight, excluding them.

Have any of these Natives served under you?—Some of them have.

Is their work inferior, generally speaking, to that of the other classes?—Some of them are very good, and others only moderately good. I cannot say that they are better or worse as a class than others in the Department. Some of them are very good indeed, and others are below the average.

As compared with the young men appointed by nomination and competition, do the Covenanted Civilians in the Department evince any inferiority or superiority?—I should not say there was much difference between them at starting, but I should expect that later on, with the necessary training, the Covenanted Civilians would be able to show better work.

You have three Civilian Officers in the Department?—Yes.

Do you think that one class is better than the other, or not?—I cannot answer that question, because nearly all the Covenanted Civilians who have entered the Department have not remained long enough in it, but have left it for better prospects elsewhere. None of the Covenanted Civilians who are now in the Enrolled list have served under me.

The Hon'ble Maulvi *Abdul Jubbar.*

Have you met with any case of a European Officer objecting to be transferred for family reasons?—No.

Or of an officer so objecting who was not a pure Asiatic?—There may have been one or two instances of the kind.

Mr. *Ryland.*

One of your objections to the recruitment of Civilians for the Department is that they are allowed to step at once into the best paid appointments, while in this as well as in other Departments Uncovenanted Officers are required to undergo a training in the lower grades before they can be appointed to such posts?—Yes.

You think that it takes some time to acquire the necessary experience, and that without having undergone this training Covenanted Civilians are employed to control men of ability whose departmental experience is much greater than their own?—Yes.

Is such a system likely to produce discontent and lower the efficiency of the Department?—Yes, very seriously.

The *President.*

Which of the three classes of officers in the Enrolled list—Europeans, domiciled and non-domiciled, and Eurasians—are as a class the best as regards efficiency and industry?—I think they are about equal.

The *President*—contd.

Have you not in your Department a class of officers termed Chief Superintendents?—Yes. They are the heads of sections or sub-divisions of Departments. They are at the head of the Clerical staff as it were. These appointments are divided into five classes, receiving salaries from Rs. 600 to Rs. 800, Rs. 500 to Rs. 700, Rs. 500 to Rs. 600, Rs. 400 to Rs. 600, and Rs. 400 to Rs. 600. All these gentlemen are recruited from the grade of clerks, with one exception, and he was brought in because we happened to be short of competent men for the grade of Superintendents, and he had served as an Accountant for a great many years. There is also a service called the Subordinate Accounts Service. It is practically the Ministerial Service of the Department, and comprises those officers whose salary is Rs. 100 and upwards. In this Service there are six grades, but the first grade has been transferred to the higher department, and has not been filled up. The highest grade now filled comprises appointments with salaries of from Rs. 400 to Rs. 500. These men are recruited almost entirely from the various Account establishments by promotion, and are appointed by the local Accountant General or Comptroller.

Do you know whether any particular class has a tendency to predominate in the Ministerial offices?—I do not think so. In Calcutta we rather insist for our own safety on all classes being represented in the office.

I suppose the circumstance of so large a number of Bengalis being found in the Accounts offices of Upper India might be accounted for by the fact of the head-quarters of the Department being in Calcutta, and of the men having been taught the system here?—I think it might. When the Allahabad office was originally formed, it was a branch of the Calcutta office, and a large number of Bengalis went with the office and remained with it.

The Hon'ble Mr. Justice *Mitter.*

Does promotion in the Department go by merit and seniority?—Yes. If two men have equal claims in other respects, the appointment is given to the senior; otherwise to the better man.

Mr. *Gay.*

You say the subordinate Accountants are appointed by the Accountant General; but has not the Comptroller General a right to veto these appointments, if he thinks fit to do so?—Yes.

The *President.*

Have you anything to say as regards the pension and furlough rules applicable to officers in your Department?—The matter has been discussed some time ago by me and some of my brother officers, Natives and Europeans, and we made some notes on the points we discussed, which I will lay before the Commission in a note which I propose to write (*vide* Section IV).

WITNESS No. 11—*31st March 1887.*

Examination of J. E. COOKE, Esq., Deputy Accountant General, Bengal.

The *President.*

What is your position in the Department?—I am now Deputy Accountant General of Bengal. I have served the Government for 20 years in the Account Department. I have been an Assistant Secretary in the Financial Department, and have several times officiated as Accountant General for short terms; have been Deputy Auditor General, and have a wide knowledge of the details of the entire system of Civil Accounts.

Have you anything to say about the recruitment of the Enrolled Service in the Accounts Department?—You have already heard a description of the mode in which that is effected, that is to say, partly from Covenanted Civilians, partly from domiciled Europeans and Natives, and partly from Europeans who come out to India for the purpose of taking up appointments. The members of the Covenanted Civil Service are on one list with exceptional prospects of promotion, and the Uncovenanted Service on another with indefinite—that is to say, uncertain and unsatisfactory—prospects of promotion, notwithstanding clear declarations that such would not be the case. At a time when the Department was almost exclusively composed of Civil Servants, we found the Governor General, in the Resolution of 1857, stating that the qualifications required for that Service were very great, and laying stress on the fact that, in addition to the ordinary requirements of proficiency in bookkeeping and the science of accounts, a knowledge of Political Economy and a practical acquaintance with the Revenue system of the country and its working were also necessary. We also find it declared by the Government of 1862 that in the future organization of the Department, they must proceed on the principle that all distinction between Covenanted and Uncovenanted must be set aside, except for certain offices, including that of Financial Secretary to Government. According to Mr. Laing, the Accounts office was one which required a thoroughly competent head, who was a capable and experienced Accountant, and well versed in the whole of the details of the business of the office. That was the policy of Government in 1862, when I myself entered the Department. I had formerly been, on the special invitation of the Government of India, Assistant Secretary to the Government of Bengal in the Railway Department. That policy has since been changed in practice, not only as regards particular appointments, but also as regards the very vital principle which obliterated the distinctions between Covenanted and Uncovenanted; but the enunciation of that principle has never been recalled, although those distinctions have been restored, I might say aggravated. Covenanted Civilians, although their number is fewer, come with a leap into the very offices where it is exceedingly difficult for them to acquire any knowledge other than the ordinary routine of the Department, leaving out of the question those qualifications which the Governments of 1857 and 1862 declared to be indispensable to the proper performance of the duties of those offices. Another reason which actuated the Governments of 1857 and 1862 in the reconstruction of the Department was the great inconvenience caused to the public service

The *President*—contd.

by the continual absence of high officers from their substantive appointments. That abuse has since re-appeared in an aggravated form. There have been no less than seventeen changes in the office of Accountant General of Bengal in a period of less than four years, which is, I believe, a much larger amount of disturbance than that which first startled the Government in 1862, and led to the change which has been again set aside.

Mr. *Gay.*

You do not mean by that that there have been seventeen different officers?—No; but there have been seventeen changes, and eight different officers in three years. It is only fair to say, however, that there have been ten changes in the Deputy Accountant General's office in a period of about a year and eight months, and ten changes also in the office of Assistant Accountant General in two years.

The Hon'ble Mr. *Quinton.*

Were those offices held by Civilians when the changes took place?—The changes were almost wholly consequent on Civilians being in the Department. They occurred between July 1884 and March 1886. I entirely attribute these changes to the presence of Civilians in the Department. The whole of the changes in the appointment of Deputy Accountant General, for instance, appear to be due to the fact that a Covenanted Civilian was appointed to that office, and the Uncovenanted Civilian sent elsewhere instead of being retained in that appointment. The ten changes in the office of Assistant Accountant General were a consequence of Covenanted Civilians having been appointed to that office who were continually being drawn away from their work. Had the declaration of the policy of the Government of 1862 been followed—a declaration which has never been revoked,—and some of the best senior Uncovenanted Officers been appointed to the vacancies as they occurred, these seventeen changes would never have occurred. The work of the Accounts Department is necessarily of an exceedingly prosaic kind; it is very repulsive and full of detail, which it requires a very long apprenticeship to grasp; and any one who does not possess this grasp of detail is unable in any way to take an effective part in the work of the Accounts Department. For whoever does not begin at the beginning, but leaps into the Department at a somewhat advanced age, it is next to impossible to acquire anything more than a very general and very superficial knowledge of the routine work of the Department. Papers are brought to an officer to be looked at and corrected and passed on; financial statements are also placed before him to inspect, and occasionally enquiries arise which go somewhat deeper. I maintain that a gentleman might be engaged in work of that kind for ten years, and yet have no competent knowledge of accounts or audit unless he has been trained to it by actual work. The first requirement is a thorough knowledge of accounts and audit, and the absence of this knowledge cannot

The Hon'ble Mr. *Quinton*—contd.

be supplied by a training which, though very good in its way, is of a different kind. A great deal has been said about the advantage of having officers who possess a good knowledge of the details of administration outside the Accountant General's office. That is no doubt a very valuable experience, but I maintain it is of little value in the absence of a thorough knowledge of accounts and audit, and I may say also that it is one which can be very fairly acquired by Accounts Officers continually dealing with the questions which come before them, and would be acquired with even more facility if the practice of inspection of Treasuries were reverted to. In former years the Government of India used to lay a great deal of stress on the importance of every Treasury in the country being inspected at least once a year by an officer of Accountant or Deputy Accountant General's rank. That practice has since been discontinued, almost entirely as far as this Presidency is concerned, and Accounts offices have not now the means they once had of thoroughly grasping the work of Treasury and Collector's offices—a knowledge which was of the utmost use to them in the work of their own offices. I also wish to say that it is impossible for the junior officers of the Department, who are under Covenanted Civilians, to be trained in the efficient way they would be if they were under officers who possessed the practical knowledge and experience which I say is requisite. The heads of offices are necessarily completely misled as to the training which their juniors receive if they themselves are not in a position to give that training. Rules are laid down, but unfortunately something more than rules is required; there is wanting that continual personal supervision and intelligent check which cannot be supplied when the head of the Department is himself a novice in regard to accounts and audit. After many years' experience I entertain no doubt whatever that many of the Covenanted Civilians who have been appointed did, and do, acquire a good deal of general knowledge of the work; but still they are unable to reach the main portions of their work by reason of their want of a thorough knowledge of accounts and of the duties of their appointments—a fact which the Government in its reported resolutions has admitted. Now with regard to Uncovenanted Officers. Originally they were recruited by seeking out from other Departments those officers who were known and had distinguished themselves. Many such were brought in in that way. I myself was brought in in that way. Shortly afterwards, however, a system was adopted of introducing young men of no practical acquaintance with the work of a public office. These men were appointed by a system of nomination and competition combined. The Commission need only refer to the standard of admission to see what the tests are; and considering that the Uncovenanted Service in the Finance Department leads up to salaries of at least Rs. 1,500 a month, those tests do appear to me to be ridiculously easy. I believe that for these appointments it would be possible to obtain the best educated men in India with a test far higher than that. I believe also that the Department suffers from the test not being sufficiently high. Then with regard to this system of nomination, there is an uncertainty attaching to

The Hon'ble Mr. *Quinton*—concld.

it which is exceedingly disturbing. This uncertainty is of various forms. Perhaps I may be allowed to cite one instance of it. A gentleman in high position in the public service obtained a nomination for his son to the Department. The nomination was obtained 12 months ago, and he wrote to me to say he had been trying to find out in what subjects his son would be required to pass in order that he might have him thoroughly prepared at home. But that, and even the date of the examination, neither I nor any one else were able to tell. It depended partly on a vacancy occurring, and partly on an inner system of nomination—I mean the system of nominating from amongst the persons nominated to appear at the examination. I advised this gentlemen to drop all expectations connected with the Financial Department, where there was so much uncertainty, and put his son into some other Department where professional knowledge was needed, and which he was young enough to enter. You will find the subjects of examination laid down at page 11 of the list for November 1885 and in the Government order of 1876. There is no reason that I can see why three instead of thirty nominations at a time should be competed for, and I think the Department has suffered by restricting the competition.

How do you propose to amend the system of recruitment for this Department?—In the first place, I would have a system of nomination which would not be exclusive so much as inclusive; I would see that none but good men were nominated; interest and family connections would be left out of the question, and only those who had done well at the Universities and public schools in India would be eligible for nomination.

Would you have the nominees compete among themselves?—Yes, and the best out of the entire list of nominees, which might number fifty or one hundred, would be selected. The public schools and Universities of India are continually turning out men fully good enough for any appointment in the Accounts Department.

You do not consider it necessary to recruit the Department from lads who have been educated in England?—No. But I see an advantage in it, namely, that English lads have the opportunity of thoroughly qualifying themselves in a Chartered Accountant's office, which lads in India have not. A system such as I propose would certainly give us far better results than we have had during the last ten years by the present system.

The *President.*

Have you been to England?—Yes, and I have had three of my children at school there, and two other of my sons who were at one of the hill schools are now proceeding to England.

Do you consider that the hill schools compare favorably with the English schools?—Some of them are said to do so. There are men in the Army, the Church, the Police, and the Civil Service who have been brought up exclusively in these schools, and there is no reason why the

The *President*—contd.

Accounts Department also should not derive a thoroughly good supply from the schools in India.

Mr. *Gay.*

Still you think that there is an advantage to be derived from sending boys to England?—I do distinctly, otherwise the greater part of my pay would not go in remittances to England.

Do you think the present rule which restricts the recruitment of Natives to one-third of the appointments is a wise rule?—I think that question will be best answered by saying that the best men ought always to win.

What do you think of the reasons which Mr. Kellner gave for his opinion that that proportion ought to be maintained?—I think there is no more need for having one-third than one-half, but I do see some reasons why the Department should not consist exclusively of Natives. I think a European head of a great Accounts office, from one circumstance or another, commands much greater respect when he has a disagreeable or a distressing duty to perform than a Native gentleman would. That is a fact which may be connected with circumstances which are not altogether official in their bearings, but still the fact remains that a European at the head of a large office, who has to deal with public departments in a way which frequently requires the exercise of a great deal of firmness, and sometimes causes a great deal of clamour, carries a great deal more weight than a Native would. On that ground, and for the sake of smoothness in the administration, I think it necessary that there should be a proportion of Europeans in the Department. With regard to the subordinate ranks, I do not see the same objection to the employment of Natives, and with reference to the circumstance which has been alluded to, *viz.*, of the Accounts offices at Allahabad having at one time been composed almost exclusively of Bengalis, I should say that it was the difficulty of getting anybody else but Bengalis with the requisite education which led to that result. I myself tried to get hold of Hindustanis, but found that they did not come up to the standard of education which is required for entrance to the Calcutta University. But the fact is that there is a tendency if the head of the office, or of a branch of the office, is a Native for the discipline of that office or branch to suffer in some degree, and for many appointments to be, or at all events believed to be, held by many of the dependants and relatives of the head of that office or branch; and on that ground also I am not prepared to say that I would willingly see the head of this Department a Native; but, so far as qualifications for other work are concerned, I say let the best man win.

The *President.*

Would you have Natives and Europeans compete together for appointments in this Department?—Not at present. India to-day offers such facilities for Native gentlemen to receive a higher standard of education in the Universities, and they themselves devote most of their time to study, that if we

The *President*—contd.

are to have a competition of that kind, all I can say is that it ought not to be until our public schools are in a position to employ such a system of education as will bring young men up to the required standard. However, I would still have only one examination. With regard to the recruitment of the Department, I wish to state that there is a great deal of friction in the Department owing to the different modes of recruitment followed. For instance, there are among the Uncovenanted Officers men who have been more than ten years in the Department, and have not yet obtained a permanent footing, but are still labelled as supernumeraries in the Department, whilst men are brought in from the Civil Service and placed over their heads. These Civilians enter the Department when the pay is worse in the regular line than it is in the Department, and leave it when the pay in the regular line is better.

Mr. *Gay.*

Is it not the case that the large number of supernumeraries in Class VI is due to the reorganization of 1880, whereby the appointments on the graded list were largely reduced, and it became necessary to keep these gentlemen as supernumeraries, so that they might not suffer in pay, and might be gradually absorbed into the graded ranks?—Yes.

I believe that for some years no appointment was made to the Department?—Yes; but still a great deal of friction has been caused by the promotion of these gentlemen being retarded by gentlemen from the Civil Service being brought in for short times and allowed to revert to the Civil Service again.

Do these Civil Servants not come in on the same pay?—Yes, but their promotion is abnormal. Although the friction I allude to may not be very general, yet in many cases it has occurred, and has been severe. With regard to the distinction between Covenanted and Uncovenanted Servants, not only has that not been in any way abolished, but it has been aggravated. I will give a remarkable instance of this. In 1881 a salary of Rs. 1,750 to Rs. 2,000 was assigned to the two appointments of Deputy Comptroller General. The duties of those officers were, in the case of one, to have charge of the Central office of account, and, in the case of the other, to inspect the local Accounts offices in India. Both required to have thorough experience in the Accounts Department. One of these appointments, or rather the pay due for the intricate duties of one of these appointments, the one created for the inspection of local Account offices, was given away to a Covenanted Civilian who never joined the appointment, but officiated as Accountant General in Madras, having only just been posted to the Account Department, and who had no knowledge whatever of the work of the Department; while the Enrolled Officer, who discharged his duties as Deputy Comptroller, received only Rs. 1,000 rising to Rs. 1,200. This was done in order that the inexperienced and untrained Covenanted Civil Servant might enjoy a larger salary, while the thoroughly capable Uncovenanted Officer was kept out of his due.

Mr. *Gay*—contd.

What is your experience of the young men who, having been educated in England, come out here and are appointed to the Department here?—Some of them have unquestionably done well; others not so well. But the system of nomination and selection did not aim at getting the best men possible; the nomination only brought in men who had sufficient interest to get appointed.

Can you call to mind any instance of the system having resulted in the appointment of men who were altogether unfit?—Several of the men obtained under that system have proved inefficient. But I think it was partly owing to our system of training not being sufficiently long or thorough. Originally the selections might have been unfortunate, but with a much more thorough system of training perhaps the results would have been better.

Have the domiciled Europeans and Eurasians who have been appointed turned out well?—With the exception of some senior members, there are very few domiciled Europeans at all in the Department. The result of the nomination system has been that gentlemen from England, with interest to back them, have got into the Department, and some pure Asiatics also have got in, whilst domiciled Europeans have been altogether excluded.

In former times domiciled Europeans and Eurasians were largely employed in the Department?—Yes; but the system of nomination has resulted in practically excluding all but pure Asiatics and young men from England, who had in many cases failed to obtain other employment, but had good friends to obtain appointments for them in the best Uncovenanted department in India.

Do you think that Europeans educated in India and Eurasians have held their own in the Accounts Department?—Yes. Sir George Kellner, Sir George Hollingbery, Mr. Kiernander, Mr. Byrne, and Mr. Edwin Kellner were brought up entirely in the Doveton College; and those are gentlemen whose thoroughness has been conspicuous in every branch of the Department they have been attached to.

Has not education in India improved since the time those gentlemen were at College?—Distinctly it has.

Are the Natives who have been appointed good men?—Some of them have turned out uncommonly good men; others not so good.

To what do you attribute their defects? Is it that the field of selection is too restricted?—I do not think that any system of nomination or any system of examination for admission to the Department will ever reveal the fact whether the candidate possesses the requisite qualifications. A man who has not a clear mathematical head and has not been trained to take pleasure in going through processes which require great accuracy at his hands will never be of much use in the Department.

Is that owing to the fact that the members of the Enrolled Service enter at once upon duties involving responsibility?—Yes. Until certain departmental examinations are passed, and they become supernumeraries, they are supposed to be Probationers; but the probation is really no probation at all, because the Probationer is almost immediately set to do work which very often is reserved for an Assistant Accountant General; so that, instead of being trained as an apprentice, the Probationer is placed in the position of a master workman, and as a consequence rarely learns much.

Mr. *Gay*—concld.

At the present time there are three Probationers, and all three were appointed since 1878?—The senior Probationer was appointed in 1885, and six months ago was put to active work. The other two are still on probationary work. I remember a case of a man who from stress of circumstances was put on to do work which had formerly been discharged by a very efficient Chief Superintendent. His training had hardly commenced, and he was performing the duties of an Audit Officer in a most important office. I know that the rules point in a different direction, and hence I suppose it is owing to stress of circumstances that these rules are not always applied. By stress of circumstances I mean that the office is short-handed. Sometimes we find a man put in the position of a master workman who is not a workman at all. This is our main defect, and a fatal defect it is in the Civil Accounts Department. In a great manufactory, if a man who is not a workman is put in the place of a master workman, somebody gets seriously injured over the transaction; the employer as well as the public suffers. In our Civil Account Department we have men called Accountants General who are not Accountants at all, and both the Government who pays them and the public service reap the result in injury. The same may be said of Deputy and Assistant Accountants General. Unless an officer is a capable Accountant, he is of no real use in the Department; giving him a designation and high pay cannot make him fit for the place. I wish particularly to draw attention to this, that the public service is receiving serious injury from the way Covenanted Civil Servants are being put in as high Account Officers when they are not Accountants, and from the way in which capable Account Officers are kept out of the wages due to their capacity and work by this arrangement in the interest of the Covenanted men.

The *President*.

You yourself were brought into the Accounts Department from the Accounts office of another Department?—Yes.

Do you think we should get better men for the Accounts Department, and at the same time experience of outside Departments, if we from time to time admitted outsiders from those Departments into the Accountant General's office?—Your chances of getting good men would be better no doubt. Taking them all round, the salaries in the Civil Accounts Department are somewhat, but not much, better than those in any other Department.

Do you hold the same opinions with regard to your pay, pension, and furlough rules as Mr. Kellner has expressed?—

The *President*—contd.

India. Accounts. Section III. *J. E. Cooke, Esq.*

Not in one or two small particulars. For instance, I think the limit of Rs. 7,000, instead of being the maximum for gentlemen holding particular offices, ought to be assigned to the holders of salaries carrying with them a larger half-pay than Rs. 7,000. I think it would be disappointing to the Uncovenanted Service at large if these pensions should be so safeguarded that only two or three officers could possibly have the benefit of them. The same argument applies in the case of age for superannuation. I am in favor of one rule for everybody, and no exceptions of any kind. If you fix 55 as the age of superannuation, you should do so for everybody. To dismiss a man with a pension when he is fully able to work is discreditable to Government and everybody else concerned. The private feelings of junior men ought not to weigh when it is a question of the public interests. The present age of superannuation is far to early. The instance of an officer of 55 years' service having applied for extension is very rare. On the question of furlough, I am one with Mr. Kellner.

Have you anything further to add?—I desire

The *President*—concld.

to add that there is only one eminent authority who seems to have made light of the vital importance of high Account Officers being thoroughly sound Accountants. In the collection of papers in print placed before the Committee, it will be seen Sir John Strachey did not place a very high value on Accountants General being thorough Accountants. But after the discredit which overtook the Government of India in the "Budget of the missing millions," perhaps Sir John Strachey would readily disavow his former opinion and set a true price on good accounting. In 1862 the Government, in referring to a mistake of two millions in its Budget, declared, with reference to the changes in the Account Department which it had then ordered, as follows: "Mistakes of this magnitude are now, it is believed, impossible." A few years later, when the improvements in the selection of officers were allowed to be set aside, a mistake of a far greater magnitude occurred, and I submit the only real guarantee there can be against a recurrence of heavy mistakes in the accounts of the State is to allow none but really trained Accountants to occupy the place of Accountant General.

WITNESS No. III—*1st April 1887.*

Examination of W. H. DOBBIE, Esq., Enrolled Officer, 4th grade.

The *President.*

W. H. Dobbie, Esq.

I am in the 4th grade of the Enrolled Officers in the Accounts Department. I was educated at Merchant Taylor's school. My father was an officer of the Madras Army. I entered the Department in May 1872 by competition. There were two vacancies and six competitors. I have served in several of the principal parts of India. I agree generally with what Mr. Kellner said as to the recruitment of the Service by the appointment of Covenanted Civilians. I desire to lay stress on the effects of such a system. It disheartens members of the Enrolled grades, and discourages them from making efforts to do their duty in the most efficient manner. It is expensive, and the want of training in the head of the Department leads to imperfect supervision, and hence to indifferent work on the part of the permanent staff—a result which is most pernicious to the men in training. There must, too, be friction where men of the same position in society and very similar education are employed in our Service with different conditions of service as regards emoluments, promotion, and official dignity.

I know two or three Native members of the Enrolled grades: one is very efficient; the other two are not so efficient. Some of the men in the lower grades of the Enrolled Service I do not consider satisfactory, mainly because of their want of proper training,

The Hon'ble Mr. *Quinton.*

The men I have in my mind have served under Accountants General who had not received special training. The Deputy Accountant General has nothing to do with the training. The Accountant General sets them to work and directs their training. According to the rules, they would work under all the Gazetted Officers in the office; but no one has ever worked under me. It is partially owing to the failure to comply with the rules that their training is defective. I object to bringing in outsiders. I did not look into the Acts of 1861 when I was appointed, and the Government of India have doubted its precise meaning.

I had no training. I was put in charge of an office at once, that of Assistant Accountant General, British Burma.

In my opinion a certain number of Europeans are necessary for the efficient working of the Department, and I think there would be a better choice in England than here. I prefer that they should be appointed by the Secretary of State, and then receive some technical instruction in England before they are brought into the Department. When men are admitted on probation, it is in practice difficult to discharge them.

WITNESS No. IV—*1st April 1887.*

Examination of Babu RAJANINATH RAI, M.A., Enrolled Officer, Class IV.

The *President.*

Babu Rajanath Rai.

I am a Brahman and a Master of Arts of the Calcutta University. I was second in the Entrance Examination, first in the F.A., and first

The *President*—contd.

in the B.A. I took my Master's degree in Mathematics. I entered the Department in the year I graduated, 1872. I was the first Native

The *President*—contd.

that entered the Accounts Department by competition. There were two vacancies and six nominated candidates; the other five were Europeans. I was at the head of the list and Mr. Barnes second. I wish to say that (*reads*) the great object of the organization of 1857 was to secure the training of the Covenanted Civilians for whom all the higher appointments of the Department were reserved. This was sought to be attained by offering to them higher salaries than they would get by continuing in the general line, and by requiring those who entered the Department to stay in it throughout their service (*vide* paragraphs 9 and 14 of the order of December 1857).

The scheme of 1862, which abolished the distinction between the Services, relied more on the Uncovenanted than on the Covenanted Service to carry on the work of the Department, as the highest salaries were insufficient to attract Civilians into the Department or induce them to remain there.

Leaving out the three Sub-Treasurers whose appointments were subsequently abolished, the cost of the first twenty appointments under the scheme of 1857 was Rs. 4,06,800 per annum, being Rs. 20,340 per head.

Under the scheme of 1862 the cost of the same appointments would have been Rs. 3,13,600 per annum, being Rs. 15,680 per head. The retention of special salaries for Civilians then in the Department caused an extra charge of Rs. 78,000 per annum.

The reorganization of 1880, by reverting to the policy of reserving the highest appointments for the Covenanted Service, raised the cost of the same twenty appointments from Rs. 3,13,600 to Rs. 3,99,200 per annum, or from Rs. 15,680 to Rs. 19,960 per head.

But even at this cost Government do not seem to have succeeded in making the Department attractive to the Civil Service, as five* officers have already left it from the Enrolled ranks and two† from the higher ranks.

Government should, therefore, either raise the salaries of the Civilians in the Enrolled list still further, so as to retain them in the Department for training, or give up the attempt to fill the highest offices exclusively by Covenanted Civilians.

The present mode of selecting Probationers for the Uncovenanted portion of the Enrolled ranks is not satisfactory. Three candidates are nominated to compete for each vacancy. There is no assurance that the fittest candidates will be brought to the notice of Government for the purpose of nomination, which, as a rule, is likely to go by influence; and deserving candidates without influence are likely to have very little chance of securing a nomination. Nomination should be abolished and the examinations thrown open to all having a certain educational qualification. There should not

* 1. A. F. Cox. 2. W. C. Holmes. 3. T. H. Hamnett. 4. G. C. Walker. 5. E. W. Collin.

† 1. D. M. Barbour. 2. A. P. MacDonnell.

The *President*—contd.

be separate competitions for Europeans and Natives, and no fixed proportion in which these two classes should be admitted into the Department. The proportion should be left to be determined by the result of the competition. The present standard of examination is very low, and should be raised by the inclusion of higher Mathematics and the omission of all elementary subjects.

If it be urged that Europeans not domiciled in India cannot be expected to come out on the mere chance of entering the Department after successfully passing a competitive examination here, a concession might be made in their favor by having a small proportion, say one-sixth, of the vacancies to be filled up by nomination by the Secretary of State or the Government of India in such manner as to those authorities may seem fit. All other vacancies should be competed for in the country by Statutory Natives of India, including Eurasians and domiciled Europeans. But if the policy of filling up all the highest offices by Covenanted Civilians be maintained, there will hardly be any occasion for this concession.

The clerical ranks should be recruited entirely by open competition. That is the only way of securing the best persons for the service of Government. It will at the same time encourage education and stimulate the communities that are backward to exert themselves to overtake the others. Any undue preference shewn to any community is a disservice to that community, as it tends to deteriorate the quality of the men of it by taking away from them the strongest incentive to exertion.

As regards the fitness of the different classes for service in the Department, there is nothing in the duties of an Account office that an intelligent and well-educated man of any nationality cannot discharge to the fullest satisfaction of Government, provided he takes an interest in his work. In the clerical ranks the Natives of India have given general satisfaction, and whenever they have been selected with care they have worked with more than ordinary success. In the higher ranks, so far as they have gone, they have worked quite as satisfactorily as their European colleagues of equal standing.

In the matter of pension and leave, the officers of this Department have some grievances in common with other members of the Uncovenanted Service.

As regards pension—

I.—A graduated scale similar to that conceded to some privileged classes by section 114 of the Code would be a great boon, and the same principle might be extended to service between 15 and 25 years.

II.—The lower limit of Rs. 2,000 and Rs. 4,000 in the case of one-third and half pension respectively should be abolished, as in the former case the limit places men on Rs. 500 and Rs. 1,000 on the same footing, the latter of whom really get a pension of one-sixth instead of one-third. In the case of half pensions, the limit places men on Rs. 666-10-8 and Rs. 1,000 on the same footing, and gives to the latter a pension of one-third instead of a half. In both cases the difference of a rupee in the pay above Rs. 1,000 makes

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The *President*—contd.

a difference of Rs. 1,000 in the annual pension. In the case of men on high salaries, the ultimate limit of Rs. 5,000 should be allowed to be exceeded up to a maximum of £500 or Rs. 7,000, provided it did not exceed a third of the officer's salary.

III.—Furlough or leave on private affairs to the extent mentioned in section 96 should be allowed to be counted as service for pension.

As regards leave, the following concessions should be made to those who are subject to the less favorable rules:

I.—Furlough and leave on private affairs should not exclude one another, but be allowed alternately if desired, provided the aggregate does not exceed two years. Furlough should be allowed in instalments at shorter intervals.

II.—The restriction that leave on medical certificate cannot be taken out of India more than twice should be removed, and half-pay should be allowed for 30 months in all without further restricting it to 15 months at a time.

The *President*—concld.

The Hon'ble Mr. Justice *Hitter*.

I am a Native of Bengal.

I have served in the Central Provinces and Bombay. I raised no objection to the orders requiring me to leave my native country. It would be a part of my duty to take exception to the bills of superior officers, European as well as Native. I am now in charge of outside audits, and there have to deal with the accounts of European Officers; and in Bombay I had charge of the Pay Department for some years, and neither then nor now has there been unpleasantness between me and any European Officer with whose accounts I have had to deal on any race ground. When I was in Bombay I had not only the ordinary local business, but I had to settle the pay accounts and grant last-pay certificates to all officers embarking at that port.

WITNESS No. V—*2nd April 1887.*

Examination of P. E. CLAGUE, Esq., Chief Superintendent, 3rd class, Accounts Department.

P. E. Clague, Esq.

The Hon'ble Mr. *Quinton*.

You entered the Service in what year?—In 1865 in a subordinate capacity as clerk in the Interest Department. My pay then was Rs. 70: it is now Rs. 600. In June 1865 I entered the Loan Department of the Government of India, and in September 1866, on the re-organization of the Accounts Department, I entered the office of the Accountant General of Bengal on Rs. 130. In 1869 I was promoted to the office of Superintendent in the Comptroller General's office, and in 1870 was Chief Assistant in the Burma office, and filled that office until 1882. Prior to that, in 1880, I was made Chief Clerk and Chief Superintendent. As far as promotion goes, I have risen, but I have been receiving the same emoluments for the last 12 years.

Have all the present Chief Superintendents risen from the lower grades of the Service?—With one exception, yes.

Were you born and educated in England?—I was.

The *President*.

Have you any observations to offer with reference to the subject of the present enquiry?—I wish to point out some defects in the present method of recruiting for the Department. Up to 1871 those who entered the Department were given to understand that merit and efficiency were the sole conditions of promotion to the Enrolled list. Up to 1869 there were no such things as Probationers. The system of placing men on probation only came into operation in 1871. From that time, with the exception of one officer, no promotion has been made from the grade of Superintendents. The Department has been recruited by Probationers. These Probationers are boys who have succeeded in the competitive examination prescribed for candidates for appointments in this Department. After appointment they are presumed to undergo a course of training—

The *President*—contd.

that is, a probation. Young beginners as they are, they have not the knowledge of accounts which is only acquired by years of practical work. Notwithstanding that, they are promoted over the heads of men who have qualified in subordinate positions, and have risen, by their zeal and abilities, to the position of Chief Assistant, and are by the rules debarred from further promotion.

Those Ministerial Officers, who rank under the Chief Superintendents, are not generally so well educated as the members of the Enrolled Department?—It may be they have not in all cases received a very high standard education; yet probably some of them have, and certainly they are able, to perform the multifarious duties connected with the Accounts Department.

What are the present duties of Chief Superintendents?—Any duties that may be assigned to them by the head of the Department—such duties, in fact, as an Enrolled Officer is supposed to perform.

Is that so with all of them?—Yes. They are supposed to be capable of conducting any duties whatsoever.

Then wherein does the work done by members of the Enrolled Department differ from the work done by yourself?—I am not aware of any difference, except that the former, as heads of offices, are independent.

If a temporary vacancy occurred in the office would the Chief Superintendent be called upon to fill it?—Yes, if there was no other officer available.

And would discharge even the independent duties of an Enrolled Officer?—Yes; the ordinary duties of an Enrolled Officer are also discharged by the Chief Superintendents. They have the same responsibilities without the prospects.

The *President*—concld.

Is not their work supervised by the Enrolled Officers?—Ordinary duties, which present no difficulty, and are merely matters of rule, are disposed of by them.

Mr. *Gay*.

When you say that in 1871 efficiency was the only test, do you mean that the recruitment of the higher offices was made entirely by promotion?—There was no bar to promotion. The ordinary method of recruitment was by promotion from the Ministerial grades.

Were there not also numerous appointments from outside?—There were several.

In 1863 I find there were five appointments from outside; in 1864 there were three; in 1866 there were three; in 1867 there was one; and in 1868 there were five?—Members of the Ministerial Establishment were eligible for promotion, and, as a matter of fact, some were promoted who had entered the Department in a subordinate capacity. In the Resolution of 1862 it was distinctly stated that the sole test was to be efficiency.

Mr. *Gay*—contd.

The recruitment for the Enrolled list was not entirely by promotion?—No; but it was open to all. At present, no matter how able or efficient a Chief Superintendent may be, he has no prospect of rising. I have myself been distinctly told that the Enrolled list is not open to me, although by the Resolution of 1862 the Governor General has the power to nominate any outsider to the Department.

WITNESS No. VI—*2nd April 1887*.

Examination of Babu DINANATH GHOSE, Pensioner.

The *President*.

I was formerly in the Financial Secretariat of the Government of India. I entered it in 1850 on a salary of Rs. 16 per mensem, and rose to a post carrying a salary of Rs. 600 in 1870. I held that post, the Superintendentship of the Pension and other Departments, until my retirement in 1884.

The present system of recruitment for the Accounts Department is open to objection in that it is unfair to certain classes of the community. Natives of India, including Hindus, Mahomedans, Eurasians, and domiciled Europeans, are not generally nominated. Two-thirds of the nomination are ordinarily given to non-domiciled Europeans and only one-third to pure Natives. I would have competitive examinations open to all classes for all the appointments, and I would exact only certificates of good moral conduct and physique. I do not think there need be any want of Europeans in the Department, but I think it would be a wise course to retain some. I think a sufficiently good class of Europeans and Eurasians could be obtained in India, and that it is not necessary to appoint young gentlemen from England; nor indeed do I recognize the necessity for appointing to the Department trained gentlemen from England. At the same time I must say I think there are a certain number of appointments in the Department which should be held by Covenanted Civil Servants, though I would not follow the present practice whereby certain appointments are reserved for those officers.

I consider Covenanted Civil Servants are generally very much more qualified for duties of an administrative kind than gentlemen who do not belong to that Service.

I do not mean to say that all Covenanted Civilians are equally good administrators by any means, but I would induce the better men to enter and remain in the Department by giving them better pay. They would require training.

This would to a certain extent interfere with promotion in the Department and cause friction, but from their superior education and knowledge of administrative work, they will be better able to guide the Department than men of local education.

The *President*—contd.

Clerks should be eligible for promotion to the Enrolled list, and the Chief Superintendents should be amalgamated into the Enrolled list. I would require clerks so promoted to pass an examination, but of so high an educational standard as the examination for admission to the Department. At present clerks are admitted into offices without any sufficient test. I would have a competitive examination for all the appointments in the Subordinate Accounts Service; in fact, for all the appointments in the Accounts Department.

I would have a competition for the lowest clerkship, and another competition for the Subordinate Accounts Department, and another for the Enrolled Service. Of course the higher the class of appointments the higher the standard, and at the same time I would allow promotion from the one class of appointments to the other.

I think the system of training now adopted in regard to Enrolled Officers is defective; they are admitted as Probationers, and are not allowed sufficient time to qualify themselves for clerical duties. At present they are required to do duty as clerks for one year at least, but in practice this period is rarely exceeded: the time should be extended to at least two years; and what I wish specially to observe is that these young Probationers are not so well looked after as they ought to be.

I have not been in the Department myself; my knowledge is obtained from what I have heard from persons who have been Probationers.

The Hon'ble Mr. Justice *Mitter*.

I was at the head of a Department of the office. There was only one of my relations in that office, a son. There were upwards of 60 clerks.

I have four sons. I consider that the complaints brought against Native heads of departments or offices of a tendency to appoint men of their own family or caste to places of which they have the patronage is unfounded. To us indeed

The Hon'ble Justice *Mitter*—contd.

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it appears that the complaint might be more fairly made of Europeans, and a typical instance is afforded by the Accounts Department itself: the gentlemen nominated to that Department are generally

The Hon'ble Justice *Mitter*—concld.

relations of officers, Civilians and Military, and are appointed through their influence. The present standard of examination is not sufficiently high to secure good men.

WITNESS No. VII—*2nd April 1887.*

Examination of Babu ISHAN CHUNDER BOSE, Enrolled Officer.

The *President.*

Babu Ishan Chunder Bose.

I am an officer on the Enrolled list of the Accountant General's Department. I received a nomination to the Department in 1874, and was then 23 years of age. I am an M.A. of the Calcutta University. For nearly 1½ years I was in the Educational Department. I received my nomination from Lord Northbrook in consideration of my distinguished University career. I had stood first in the F.A. and B.A. Examinations, and third in the M.A. Examination, English Branch.

The only point open to objection in the Accounts Department is the recruitment of the Department throughout. I see no reason why Covenanted Officers should be brought into the Department. The Enrolled Officers should, I think, be appointed by open competition, with the exception of a certain proportion of appointments which should be filled by promotion from the Subordinate Accounts Service. With the same reservation for the promotion of the Clerical staff, I would have open competition for the Subordinate Accounts Service and competition without restriction for the Clerical staff. For Enrolled appointments I would allow all classes of Her Majesty's subjects to compete. I would prescribe a limit of age (25), and an educational qualification—a degree of an Indian University. Similarly for the Subordinate Accounts Branch, I would allow all classes of Her Majesty's subjects to compete, and I would prescribe the F.A.

The *President*—contd.

or a lower qualification. For the competition for clerkships there should be no educational qualification prescribed. I think the present leave rules sufficiently liberal, but would abolish the rule by which an officer who has once taken leave on private affairs is prevented from taking furlough, and *vice versâ*. For each year of service there should be a graduated scale of pension, and the present limit for one-third and half pensions should be raised. After 25 years' service an officer should have the option of retiring.

Mr. *Ryland.*

I would not make rules respecting furlough in this Department in order to encourage Natives to go to England.

I think an English education and training are decided advantages.

I would amalgamate the Chief Superintendent's grade with the Enrolled list.

Mr. *Gay.*

I would do this because there are too many grades; and as these men perform practically the same duties as members of the Enrolled Service, it is hard they should not be placed on a similar footing.

WITNESS No. VIII—*2nd April 1887.*

Examination of Babu GOBIND LALL RAI, 1st Class Superintendent (retired.)

The *President.*

Babu Gobind Lall Rai.

In 1850 I entered the Accounts Department as a clerk on Rs. 20, and rose to the office of 1st class Superintendent on a salary of Rs. 500 to Rs. 600 per mensem. I retired in September 1882.

I consider the present organization of the Enrolled Service unsatisfactory on the following grounds: 1st, the proportion of Natives to Europeans is very small; 2ndly, the system of appointment is by nomination, which I consider objectionable, because the best men cannot always obtain nominations; 3rdly, the prescribed examination is very elementary—indeed, such as could be passed by a boy in the third or fourth forms of a public school. I would have a competitive examination for all the appointments in this test open to all Her Majesty's subjects. I would reserve a few appointments for the Covenanted Civil Service.

If Covenanted Civilians enter the Department, they should remain there until they leave the service or are very high on the list: they should be there for some years. As a class, the Covenanted Civilian is a better man, and has received a better education than the Uncovenanted men. I do not think their will be very much friction.

Mr. *Ryland.*

I would bring junior Civil Servants in as Probationers, but on higher pay. The Accounts Department requires special training. I would bring them all into the 4th class on salaries from Rs. 800 to Rs. 1,000. I do not think that the talent of the European, Eurasian, or Native members of the Department as at present constituted is equal to that of the Covenanted Civilians. Of course there are exceptions. The ordinary Enrolled members of the Department do the most work, but the Covenanted Civil Servants do the most important work.

The *President.*

The Covenanted Civilians are as efficient in the audit and account work as the other Enrolled Officers. Their better education enables them to acquire knowledge quicker. I think the Chief Superintendent's class should be merged in the Enrolled list. I would give half the appointments in the Enrolled list to members of the Subordinate Accounts Branch who have done meritorious service, and I would submit them to a departmental examination before promotion to the Enrolled list. The other half I would throw open to competition. The Subordinate Accounts Service is already recruited in some measure from graduates

The *President*—contd.

I would recruit it by competition. In very exceptional cases I would promote clerks to this branch. The clerks also should be recruited by competition.

The *President*—concld.

I think the leave rules sufficient for Natives of the country; the clerks cannot afford to take more leave.

WITNESS No. IX—*5th April 1887.*

Examination of E. T. ATKINSON, Esq., C.S., Accountant General, Bengal.

The Hon'ble Mr. *Quinton.*

When did you first come to India?—In January 1863. I entered the Accounts Department in 1877 as Officiating Accountant General in Allahabad. Since then I have held the office of Accountant General, and on several occasions that of Comptroller General.

The *President.*

Will you kindly give us your opinion as to the constitution of the Department and the relative merits of the different classes of officers who are recruited for it?—I will begin by saying that what is commonly known as the Financial Department, but which in reality is the Accounts Department, has two separate functions to perform, *viz.*, of accounting and of financial administration. These two functions are entirely separate and distinct: with the second none except the head of the office have concern. There is nothing in the accounting duties which are above persons of ordinary capacity, or which are not within the powers of comprehension of any person of ordinary industry and ordinary education, such as undertake similar duties in mercantile houses and banks. It is an entirely mechanical business, and is moreover sharply defined by codes, which are not at all difficult to comprehend. Any one who could master the Civil or Criminal Codes ought to be able to master the Account Codes. The second function, that of financial administration, requires, I think, more than a training in accounts to perform properly. With finance itself our Department has nothing whatsoever to do: finance belongs to the executive Government for the time being. The words "finance" and "financial" are occasionally used in an obscure and general sense. I am afraid that if all here were asked to define these words, few of us would give the same definition: they are used differently, according to the exigencies of the time. For "Financial administration" and as "Financial adviser" to the Government you require considerable education and experience outside your own Department, if you are to be of real assistance to the Local Government, whose Financial adviser you by your position as Accountant General are—that is to say, everything connected with local finance comes up to you for advice, and unless you know something about the general administration outside the mere totalling up and arrangement of accounts, I think you are not in the same position to give advice as a man is who has had local experience.

Then you think it is advisable to have Civilians at the head of the Account Department?—Yes, as things at present stand. I do not wish for one moment to say that either Europeans or Natives cannot perform these functions; what I mean to say is that, for the present at least, Civilians are in a better position to perform them. Their previous training and experience handicap the rest for these particular functions. Neither the European nor the Native element in the Enrolled or Accountant class have as yet had fair play. The present system of recruiting this class is not satisfactory, and the general result is, in my opinion, much worse than it ought to be.

The *President*—contd.

What amendment would you suggest?—For the present I would suggest that promotion to the Department should be made from the Deputy Collector class, who have had all that training for it which local Administration and also Treasury experience gives.

The Hon'ble Mr. *Quinton.*

You mean Deputy Collectors who have been in charge of Treasuries?—Yes, and also members of the Subordinate Service in the Account Department itself. Some of the Chief Superintendents are excellent men; and I would also bring in specially qualified men from outside, but with some better safeguards than at present.

At present the Department is recruited by a system of pure patronage followed by departmental examination?—Yes; and I think that in the same way as the Statutory Service has failed, so the system of apprenticeship has failed in our Department. It has not turned out well. Theoretically it is an excellent system, and has been adopted with the greatest possible wish to do what was right, but the general outturn has not been satisfactory.

Do you mean that the young men selected were not so well educated as they should have been?—That is one reason. Another is that they have never shown that habit of industry, application, and self-denial for the sake of getting a thorough mastery of their work that they ought to have, and there is nothing, after they once get into the Department, which would oblige them to acquire that habit. I mean to say I do not think that the Accountants General have had sufficient control over, nor sufficient interest in watching the progress of, these men.

They have not sufficient opportunity for doing so?—They have neither the opportunity nor the power to do so. The men do not look to their good opinion for promotion, nor are they consulted when promotions are to be made.

It has been suggested to us that the young men who join the Department in the Enrolled grade do not receive as much supervision during their training as they ought to receive from the Accountants General?—Instructions were issued in 1876 for the purpose of securing that supervision, but it is rather difficult to be always driving. I have had several of these young men under me: they were

The Hon'ble Mr. *Quinton*—contd.

treated as responsible officers having a moral feeling as to the necessity of doing something for their pay. They were given work to do according to the instructions, and the results of that work were as far as possible scrutinized.

What is the system of training for Probationers in the Department?—The instructions on this point are contained in the Resolution of December 1886. The different Departments he has to go through are all mapped out in a certain way, and he has to serve, say for three months in one and three months in another, and so on, and he has, in addition, to pass what is known as his departmental examination. The most important branch he has to go through is the ordinary Accounts Branch, whence he passes to the Book Branch. Then he is gradually given more important work and control, and so on, from one department to another. There are regular rules laid down. Sometimes those rules are carried out, and sometimes not. The head of the branch has to look after the Probationer's work, and report on it to the head of the office in which he is.

Is that always done according to your experience?—I cannot say that it is.

Why has it not been done?—I have had no Probationer under me for the last eight years; in fact, there have been none since 1878 until the other day. I had two or three in 1878 and 1879. There were a great many reasons for my not interfering much then. The rules were new, and I had just joined the Department as a Civilian. There were great outcries against Civilians in the Department, as naturally there would be, and I did not want to be too hard on the young men, so I did not always carry out the rules strictly; nor would it have been easy for me to do so. There were no codes then, and only fragmentary instructions that they could follow, and they had to pick up their work from local circulars and experience chiefly.

After these gentlemen have passed through their probation, is there any one to see that they perform their duties, or could they neglect them at pleasure and hand them over to inferiors in the office?—I suppose there is no department in the public service in which you must trust more to a man's honor and sense of duty, or in which the standard of personal honesty and thoroughness in work should be higher than in this. A man may tick off whole pages of accounts, and without going over the same ground you cannot really say whether his examination has been such as to justify his putting his initials in all instances thereto.

Mr. *Gay*.

Do not the Deputy Auditors General examine the work periodically in order to see whether it is correct or not?—Yes, and it is very often found more incorrect in minor details than it should be. It is, after all, in accordance with ordinary human nature that clerks should omit troublesome and disagreeable duties when they think they can do so with impunity. In my experience clerks have shown this tendency as much under European as under Native Enrolled Officers.

Mr. *Gay*—contd.

The *President*.

Is that want of industry you complain of noticeable in the amount of work done or in the manner of the work done?—More in the perfunctory manner in which it is done and the general want of interest in the work. I do not say they are all like that, but a larger proportion of them are than ought to be the case under a good system. I do not think they have, as a rule, an idea that they should devote their whole time to the work before them, or that they have, as a body, that sense of pride in the thoroughness of their work that they should have.

As a Civilian you have seen the work of young Civilians?—Of a few of them.

How do these gentlemen compare with the Civilians you have known?—I do not think they have the same capacity for or ability to grasp the details of work, nor is it to be expected from them. A man who has gone through the examination for the Civil Service has acquired a power of steady application which is the result more of practice than of anything else, and, besides that, a breadth of view and an *esprit de corps* seldom possessed by the others.

You have in the Department gentlemen who were born in this country?—Yes.

How do the men of that class—I mean domiciled Europeans and Eurasians who have been lately appointed—do their work? Do they exhibit the same defects?—I cannot say there is any particular difference between them and the others. Some of the men from England are among the worst in the Department. I cannot say that the men who have been appointed out here are amongst the worst.

How do the pure Asiatics in the Account Department do their work?—There are so few of them in the gazetted appointments that it is neither fair to them nor to Europeans to judge of them as a class by the junior members of the staff as it now exists.

The Hon'ble Mr. *Quinton*.

How many Natives have you serving in the Enrolled offices?—One.

The *President*.

You said there were some excellent men in the Chief Superintendent class. That class is almost entirely composed of Natives, Eurasians, and domiciled Europeans—is it not?—Yes. I have only two Chief Superintendents, a Native and a European; but among the Superintendents, who are the backbone of the whole office, I have 10 Hindus, 3 Europeans, and 4 Eurasians.

Do the Native Superintendents do their work as well as the Europeans?—Quite as well. I have both Hindus and Europeans amongst my best men, and amongst my worst men also. I have 290 men under me. Out of these, 260 are Hindus,

The *President*—contd.

1 is a Mahomedan, 22 are domiciled Europeans, and 7 are Eurasians.

The Hon'ble Mr. *Quinton*.

Have you found your 15 years' experience in the regular line of the Service of any use to you as Accountant General?—It has been of the greatest possible assistance to me. The great fault to be found with men brought up solely in the Accounts Department is the difficulty they have to understand how an order issued from the Accounts Department should be carried out in a district; how it will affect the District Officers; whether it is possible in some cases to carry it out, and also what local machinery there is for making collections and payments. Our rules should be framed to fit into facts, and not that the facts may fit into them; and that is why I propose that, in the future, some of our recruits should be taken from the Subordinate Executive Service.

The *President*.

Do you also think that the fact of the Accountant General being a Civilian helps to avoid the friction which might otherwise occur between the Account and Executive Departments?—I should say it has done so on many occasions. When in Allahabad, we had to amalgamate Oudh and its accounts with those of the North-West and Oudh officials with those of the North-West, I think that my personal acquaintance with nearly all the men on both sides helped to get over a good deal of the friction which might otherwise have occurred. There was always something peculiar about Oudh. It had been for a long time administered by the Foreign Department, and its rules and regulations differed in almost every Department from those of the North-West.

The Hon'ble Mr. *Quinton*.

Have not Local Governments the administration of very large Provincial Funds nowadays?—Yes.

And is not the Accountant General the adviser of the Local Government administering those funds?—Yes.

The importance of the office in that respect has grown very much since financial decentralization took place?—It has.

And is it important that the officer who advises the Local Government should at all events have considerable administrative experience?—It is very desirable. That is one of my principal reasons for saying that Civilians are much more likely to be of assistance to Local Governments than men who have never had any district experience. I had an instance of this only the other day in preparing rules for the auditing of accounts of Wards estates. My Assistant was one of the most capable men I have known as far as accounts are concerned, but in a certain matter connected with the auditing of the receipts of Wards' estates, he wished to advise certain things which my district experience told me would not be possible. So we had a conference, and, with others to assist us, we went over the matter together, and arrived at a very reasonable conclusion.

Mr. *Ryland*.

As Accountant General, what financial duties have you as distinguished from account work?—It is not easy to define them, but, generally speaking, the Accountant General is Financial adviser to the Local Government in everything connected with the administration of the funds at their disposal. He is consulted about the amount of money that can be afforded to each Department, the admissibility of charges, and in particular the Budget. He critically examines every portion of the Budget, and advises as to what ought and what ought not to be done; what figures ought or ought not to be accepted as correct. He has even to criticize the work of men who really know a great deal more about the details of the Department than he does himself, but have not had the whole machinery of the Budget before them as he has—that is, they have not had the opportunity of studying periodically both the receipts and charges side of the Budget as a whole; and very often his opinion is at variance with that of the heads of Departments, and Government has to step in and decide between them. He has often to say that it is not in the power of the Local Government to do such or such a thing; and generally he has to control that power in matters for regulating which rules are laid down. This often raises personal questions affecting the highest officers of Government, and is a duty requiring some tact and firmness and the strength of will to resist personal pressure even from the highest local authorities.

The Hon'ble Mr. *Quinton*.

Has he not also to advise the Local Government with regard to Treasury establishments throughout the Province?—Yes; and in fact you may say broadly that wherever the word 'rupee' is found in any correspondence, it is referred to the Accountant General for note and advice.

Is it only Covenanted Civilians who could do this?—I would be very sorry to say that. I only say that the previous training of a Covenanted Civilian gives him an advantage in this respect over all others. He is and can be more independent, and can always return to the regular line if dissatisfied with his position in the Account Department or if he is unfitted for the work. Both of these cases have actually occurred in the last few years.

You think that a sound and complete knowledge of theoretical and practical accounts is indispensable for the performance of the duties of Accountant General?—Certainly.

Can this knowledge be acquired by an officer who, having entered the Department in the higher grades, has only had to deal with the financial work of competent Assistants?—Most decidedly. Any man of decent capacity should within 8 or 12 months be able to thoroughly master the whole system of accounts. It is not such a difficult matter as is supposed. Every single thing you have to do, even to crossing your t's and dotting your i's, is laid down for you. You have hardly a scrap of responsibility as to deciding what course you should pursue.

Provided he continues long enough in the Department to learn all this?—I say again that any man of decent capacity who devotes himself to it

The Hon'ble Mr. *Quinton*—contd.

for 8 or 12 months ought to be able to master the codes. The only questions arise in the application of the Financial Codes, which requires a somewhat judicial mind and a little experience; but nowadays we have such a number of interpretations of them in the shape of rulings that it is very hard for a man to go wrong.

If he has not a perfect acquaintance with these rulings, has he not to depend very much on his subordinates?—That is the case in every Department when a man does not know his work. I should say that one of the failings of officers in the Account Service at present is their want of acquaintance with the actual touch between the taxpayer and the Treasury, to know how things come in and how they go out, and what machinery is possible from the Treasury unit standpoint.

The Hon'ble Mr. Justice *Mitter*.

Do you think that any Uncovenanted Civilian who has sufficient acquaintance with the details of administration of other Departments and decent capacity could perform the duties of Accountant General as efficiently as a Covenanted Civilian?—I do not see why he should not. It is not merely because he is a Covenanted or Uncovenanted Civilian, European or Native, or that he only began in the Subordinate Accounts Department, that he should or should not succeed.

The *President*.

Is not a certain technical knowledge required in order properly to examine accounts?—Certainly.

And is it not something more than the mere technical knowledge of accounts? For instance, you have to advise certain checks, certain methods of keeping accounts, and you may devise the most perfect method for your own office; but if you have to require persons outside your office to keep accounts, or if you have to devise checks for them, you may not be able to apply the same perfect system that obtains in your office; and in that case do you not require some technical knowledge in order to know in what direction you can afford to modify your system without making it less efficient?—My remarks referred to the simple carrying out of the codes. What you now suggest is a thing quite beyond that. There are many men able to carry out the codes who would not be able to devise anything that was new.

Ought you not to have a certain number of officers in the Department who have a technical knowledge of the system of account?—Certainly. We want men who will be able to apply to new sets of facts the principles and practice already obtaining. That is a gift which is not acquired by every one. Some men in the Department do decidedly possess it, and very many do not. We should in the Enrolled list have two sets of appointments—one up to (say) Rs. 1,000 for the pure Accountants; the other for selected men up to the present limit of Rs. 2,000, or such sum as may be considered sufficient to attract and retain men fitted for the posts of Deputy Auditor General and the like. Above the Rs. 1,000 grade, promotion should certainly go by selection, and not by mere seniority.

Whose business is it to see that there are funds at a Treasury sufficient to meet any demand that may be made on it?—The Comptroller General

The *President*—contd.

is responsible for India; I am responsible for Bengal. For instance, there is a very large demand for money in connection with opium during these months, and I am responsible for providing funds to meet that demand, and indeed for all public expenditure of all kinds and in all places in Lower Bengal.

You have had to supply the Treasuries throughout the whole of the opium districts?—Yes.

Is that a duty which could be discharged by everybody?—It requires care, attention, and knowledge of the resources of each district. It is not very difficult here, because Bengal is a rich and normally a surplus Province. In the North-West it was a very difficult and continuous work. In Bombay it is not very difficult. I know nothing about the Punjab.

Have you had reason to think that in any of the Account offices of Government there has been an undue preponderance of any class of employés?—I think it was so in Allahabad when I joined, but it was a state of things which could not then be helped. The Allahabad office was made up of the sweepings of two or three offices. We had to deal with vested rights, and efficient men were rarely to be found on the spot; and undoubtedly one or two families did preponderate unduly. In the whole office there might have been 30 or 40 persons in the ministerial ranks who were in some sort related. That, however, is, I believe, not the case now, and need never be the case in future if proper precautions are taken. It is a state of things to be avoided if possible, because where family cliques preponderate in a large office, it is exceedingly difficult for the head of the office to get at the bottom of any fact which it may not be to the interest of the staff to make known. Under such a state of things outsiders brought in find it impossible to get on; their work is always made to appear in an unfavorable light, whilst the cleverer members of the clique aid their friends and make their work appear to be better than it really is. Nothing but patient, steady, personal observation can meet this combination.

The class you refer were, I suppose, Bengalis?—Yes. There was no one else we could have employed at the time that office was constituted. They were in fact Bengalis who had settled in the North-West, and been there all their lives. The North-West office was at the time a branch of the Calcutta office, and the clerks came up from Calcutta to settle there.

Mr. *Ryland*.

And they continued to introduce their relatives?—Yes; but you could not prevent it, because you could not tell whether they were related or not, and there was not a sufficient supply of North-West men to meet the demand.

Mr. *Gay*.

You said that you considered six months sufficient for an Accounts Officer and Accountant General to learn the technical part of his duty as Accountant in. Does not that seem to be opposed to the constant decisions of Government from 1859 downwards?—I say any man of decent ability ought to be able to understand and apply the codes after 8 or 12 months' experience. I cannot help it if Government have arrived at a different conclusion.

Sittings at Allahabad.

WITNESS No. X—*11th April 1887.*

Examination of R. LOGAN, Esq., B.C.S., Under-Secretary to the Government of India, Financial Department, and Deputy Accountant General of Allahabad.

The *President.*

How long have you been connected with the Financial Department?—For the last six years. I was an Acting Deputy Commissioner in the Central Provinces, where about 9½ years (the greater part of my service) was spent when I was selected for the Financial Department. I was, I believe, the first Civilian recruited under the organization scheme of 1880. On joining the Finance Department I acted for three months as Deputy Accountant General in Bengal during the absence of an Uncovenanted Officer. I then became Assistant Accountant General of Bengal, and for a short time Acting Accountant General of Bengal. I then became Acting Under-Secretary, and subsequently Under-Secretary to the Government of India in the Finance Department. I was also on special duty for a short time in the Finance Department. I then acted for a short time as Accountant General of these Provinces, and for a longer period as Accountant General of Bengal, and since as Accountant General of Punjab. Before I was confirmed as Under-Secretary, I was placed in the third class of the Enrolled Establishment. I was confirmed in this class as Assistant Comptroller General about six months after I first entered the Department. I have worked as an officer in the Enrolled list for nearly two years.

I believe under the new scheme three places in your Department are reserved for Civilians?—Yes, at least three places. I was put in the third class of Enrolled Officers when I was confirmed as Under-Secretary. I vacated that appointment on again becoming Deputy Accountant General. I worked in the second class until I became Acting Accountant General. When the office of Comptroller of India Treasuries was created, the Secretary of State was of opinion that the duties of that office could be performed by an officer of the first class in the Financial Department; and the officer who now holds that office is an officer of the first class in the Financial Department and a member of the Uncovenanted Service, and was brought out from England. It was at the time of this gentleman's appointment intimated that in any future vacancy the appointment would be open to a Covenanted Civilian, if the Government thought fit to appoint him, and on that understanding an additional Civilian was appointed in the second class in order to give him a training in account matters. Hence the names of four Covenanted Civilians appear in the Enrolled list. The Government of India have never exceeded that number. I would add that the number of Civilians in the Enrolled list depends on the will of the Government of India, the only restriction being that there shall be at least three Civilians in the Enrolled list.

What are the duties of Comptroller of India Treasuries?—He holds the position of an Accountant General in relation to the Government of India Treasuries, such as Treasuries in Political States and in Beluchistan, Turkish Arabia, &c., and in all Provinces directly under the Governmentof India.

The *President*—contd.

He also has the examination and audit of the daily cash transactions of Government with the Bank of Bengal, Calcutta, the accounts of expenditure of the Calcutta Mint, Northern India Salt, &c., and the accounts of interest on the Public Debt. He is also *ex-officio* Examiner of Civil Funds.

What are the functions of the Comptroller General in India?—An idea of some of his multifarious duties may be gathered from paragraph 6 of a Resolution, No. 792 of the 6th May 1884, of the Government of India in the Department of Finance and Commerce; but practically we may say that he has the superintendence of the Imperial accounts, and also the financing of the different Provinces of the Empire, or what we call "resource" matters. He has also the administration of financial matters in connection with the India Office, the general direction of coinage, and, as Head Commissioner of Paper Currency, control of the Department of Paper Currency. This office is now held substantively by a Covenanted Civilian, but one of the four gentlemen recruited in England for the Department is now acting for him as Comptroller General. The Comptroller General and the Secretary to the Government of India in the Finance Department are the two chief Financial Officers under the Government of India, and are usually Civilians. The Financial Secretary is not regarded as a member of the Accounts Department. The Secretary to the Government of India in the Finance Department is directly subordinate to the Financial Member. He takes orders directly either from the Viceroy or from the Financial Member.

How many Secretaries are there under the Financial Secretary?—Two—the Under-Secretary and the Assistant Secretary. The Under-Secretary is always a Civilian; the Assistant Secretary is almost invariably an Uncovenanted Officer.

Which Department are these Assistant Secretaries taken from?—The best known Assistant Secretary was Mr. Hollingbery. He was graded in the Accounts Department for the purpose of pay. The present Assistant Secretary, Mr. J. E. O'Conor, is an Uncovenanted Officer in the Enrolled list. He came, I believe, from the Revenue and Agricultural Department.

Is it necessary that the Under-Secretary should be taken from the Accounts Department?—No; in most instances he has not been taken from the Accounts Department. His is partly Secretariat work.

The heads of the Account and Audit Departments in the several Provinces are the Accountants General?—Yes, except in those Provinces which are under a Chief Commissioner. Then the supreme Account Officer is called the Comptroller.

Are the duties of Accountants General and Comptrollers in non-Regulation Provinces similar in kind, though less in degree?—Yes.

The *President*—contd.

How many Accountants General are there in India?—Five. They have similar duties in the main, but there are great local differences in certain particulars. For instance, the Accountant General of Bombay has a great deal to do with financing the Secretary of State's bills. Another important duty which he has sometimes to perform is to receive tenders on account of the Comptroller General when loans are raised; and he is also Commissioner of Paper Currency at Bombay. The Accountant General of Bengal has no duties as Commissioner or Deputy Commissioner of Paper Currency. These duties are performed by the Head Commissioner—the Comptroller General. But the Accountant General, Bengal, has special work to perform peculiar to his Province. The duties of Commissioner of Paper Currency are, very briefly, to maintain a sufficient supply of currency notes in stock, to distribute a sufficient supply of currency notes to each centre of distribution, to meet all demands from the public, to provide at certain Paper Currency Agencies a sufficient amount of coin to encash currency notes which are payable at that Agency, to deal with all demands on account of lost or mutilated notes, and to keep the accounts of the Department. By law, coin can only be claimed in exchange for currency notes at the headquarters of each Circle of issue—*e. g.*, at Calcutta, Bombay, Madras, Lahore, &c.; but in practice currency notes are cashed freely at most Treasuries when it is not inconvenient to do so. Of the five Accountants General, four are members of the Civil Service. The actual holders of all five appointments are at present Covenanted Civilians, the Accountant General, who is officiating for Mr. Westland as Comptroller General, being an Uncovenanted Officer. Usually all five appointments are filled by Covenanted Civilians.

Is it desirable that the appointment of Accountant General should be filled by a member of the Higher Service?—I think it is. The Accountant General's duties are of two descriptions: he has his account duties as an Account Officer—that is, with regard to accounts proper, he has to administer the Account Codes and also the Financial Codes issued by the Government of India, the latter codes being probably more difficult than the former. I do not think, as regards the accounts proper, that there is any reason why these codes should not be administered by an Uncovenanted Officer of a certain training, though as, according to the present arrangements of the Service, no Uncovenanted Officer is ever Under-Secretary to the Government of India (the officer who has more to do with the Financial Codes of Government than any other officer), an Uncovenanted Officer would be somewhat at a disadvantage in regard to the Financial Codes. I think a Covenanted Civilian has a considerable advantage over an Uncovenanted Officer in this position in that he may have been Under-Secretary in the Financial Department.

In the second place, the Accountant General is to a greater or less extent Financial adviser to the Local Government. My own opinion is that to be an efficient Financial adviser to the Local Government, an officer should have a considerable knowledge of the general administration of the country, together with some special knowledge of

The *President*—contd.

any local peculiarities, either in revenue or expenditure, relating to the Province in which he is stationed. I think an officer who has performed for a certain number of years the administrative duties of a Covenanted Civilian is the officer who has had the opportunity of acquiring that knowledge.

It is the duty of the Accountant General also to see that there is sufficient cash in each of the Treasuries in the Province?—Yes. Then, again, I think the Financial adviser to Government should have a certain knowledge of the working and general views of the Government of India in relation to the Local Governments; and especially has this been the case since the new system of Provincial contracts was introduced. The local Accountant General is in reality an officer of the Government of India, and unless he has got a certain greater insight into the wishes, views, and desires of the Government of India than is generally afforded by correspondence, I do not think that he is always able to interpret those wishes. I think also he should have a very large share of judgment, seeing that the Accountant General occasionally finds himself opposed to the Local Government on matters on which they have set their heart. He is frequently obliged to say that certain appointments which the Local Government desire to create cannot be created or undertaken without the sanction of the Government of India. He is frequently in the position of an officer who differs seriously in opinion from the Local Government, and he ought to know when he should insist on his views and when they should be referred to the Government of India, and when it is permissible to allow the matter to pass.

He is both the Financial adviser to, and also in relation to the Government of India a check on, the Local Government?—He is at times very much a check on them. Virtually he is the servant of the Government of India in the Finance Department.

At the same time, owing to the system of Provincial contracts, he is also in a position to afford advice to Local Governments?—Yes. He is also responsible to the Local Government for controlling the expenditure of the various civil departments and officers under that Government. He is obliged to bring to the notice of the Government when a particular officer is apparently spending without sanction, or when he is likely to spend more than he has sanction for, or when a local officer or department in a mistaken view of either the Account or Financial Codes has spent money which, in the opinion of the Accountant General, they ought not to have spent. In order to bring these matters to the notice of the Local Government without causing undue friction, and without bringing about a deadlock with the local officers, I think an immense amount of firmness, tact, and judgment is required; and I think that an officer who, by the fact of his being a member of the same Service, has a certain sympathy with, and a certain knowledge of, the majority of the Administrative staff, is the best man to exercise that duty, and the most likely to possess that judgment and tact.

Is it also one of the duties of the Accountant General to deal directly with members of the regular Service in questions touching their pay,

The *President*—contd.

pension, and furlough?—Yes. Personal questions with regard to salary, leave allowances, pensions, and in fact all questions connected with an officer's pay, ultimately come to the Accountant General, and it is only in a very rare case that the Local Government disagree with the Accountant General. In such matters he is their adviser, and unless they have reason to consider him untrustworthy, they accept his opinion. All these questions are of the most delicate nature. Officers very frequently in perfect good faith press claims to pay or privileges which the Accountant General considers are not warranted by the codes or by the orders of the Local Government or the Government of India, and it is his duty to disallow them, if necessary, but to do so with tact. The pressure which is frequently brought to bear on the Accountant General in these matters and the amount of ill-feeling sometimes caused in connection with them is very great. These are my chief reasons for considering it expedient that the post of Accountant General should be filled by Civilians. I do not overlook the circumstance that Civilians claim this appointment under the terms of the Statute.

Will you kindly describe the system by which recruitment for the Enrolled Establishment is made?—The names of candidates are entered in the Finance Department list, and a certain number, three for each appointment, are nominated—three Europeans and three Natives. These three gentlemen are examined, and, I believe, the best man is selected.

Europeans and Natives are not examined together?—I believe not.

I believe only one in every three appointments is given to Natives?—Yes.

By the term Native you understand pure Asiatics?—Yes. All that we have appointed have been pure Asiatics.

Is it a fact that you can so manage your competition as to get in any one you please?—I do not know.

Is there any particular reason why the competition should be limited to three?—None whatever, though personally I should be inclined to do away with competition altogether.

Do you consider that you get good men by the present system?—Not, I think, so good men as we might expect, considering the high and well paid appointments which are open to them, and considering that they can rise to Rs. 2,000 a month. Most of them I consider to be of much the same class as the young men from whom we recruit the Police; and the prospects of the Police are nothing to compare with the prospects in the Accounts Department. I do not consider that our juniors are equal to the men obtained for the Education Department from England or for the Forest and Telegraph Departments, and yet the prospects of these Departments are not nearly so good.

Do you think we should get a better class of men by an open competition?—I should prefer to nominate for all appointments in the Enrolled list below, say, Rs. 1,000 a month from the Subordinate Account Service, or from among the Chief Superintendents who have risen from that Service.

The *President*—concld.

Do you think by that system you would get men of sufficient education for the higher appointments?—I think a considerable portion of the men you require for appointments below Rs. 1,000 a month could be recruited from the Subordinate Accounts Service. The men in the Subordinate Accounts Service at the present time, especially the Native members of that Service, are men who in many instances have taken a good degree. Even in the Clerical Establishment we have got men who have taken B. A. and M.A. degrees.

What salaries do they commence on?—A B. A. will probably be content to commence on about Rs. 40 a month in the Clerical Establishment: an M. A. on about Rs. 60; but they, of course, expect rapid promotion if they turn out well. The method of recruitment for the Department is as follows: A man whom the Accountant General considers promising is first appointed to the Clerical Branch of the office on Rs. 40 a month or thereabouts. After having been a few years in the Clerical Branch learning his work, he would, if a really able man, be promoted to the Subordinate Accounts Service. There he would ordinarily become a Chief Superintendent, and there at present his service would end. Before 1892 he would have been capable of rising to still higher grades.

Would you not get a better educated class of men in the Enrolled Branch by not promoting to that branch from the Subordinate Accounts Service, but by making direct appointments to that branch?—I should certainly be very glad to see the Enrolled Branch to a certain extent recruited by men brought out direct from England.

After a man has gone through the subordinate grades and become Chief Superintendent, what age is he generally speaking?—About 40. I should also be glad to see a few selected Treasury Officers put into the Enrolled list on probation. I consider they have undergone a training which would specially fit them for certain duties in the Department—a fitness which men on the Enrolled list are not likely to possess.

How would you recruit for the Subordinate Accounts Service?—I would have it remain as at present, a system of selection. At present we select the best man we can get from among the Clerical staff, and we train him for two or three years, and if we find he has a turn for accounts, we appoint him to the Subordinate Accounts Service.

The Hon'ble Mr. *Quinton*.

Do you ever bring in outsiders to the Subordinate Accounts?—Yes, but not frequently. One of our Chief Superintendents was brought in direct. The special reason for his appointment was that he was a good Accountant. Outsiders were in several instances brought into the Enrolled list many years ago.

The Hon'ble Mr. *Quinton*—contd.

Do you find that the members of the Enrolled grade recruited in the country, domiciled Europeans and Eurasians, are as good as the men you obtain by the present system of limited competition?—As a rule I prefer men recruited in this country, whether domiciled Europeans, Eurasians, or Asiatics, to the men who come out from England and are appointed to the Enrolled list by limited competition out here. I think on the average their standard of education is higher.

Is it desirable to continue the practice of reserving three appointments in the Enrolled list for Covenanted Civilians?—I think it is very necessary that Civilians who become Accountants General should have an opportunity given them of being trained in the subordinate work of the Department. At the same time I would point out that the very best Comptroller General we have ever had, and more than one excellent Civilian Accountant General, never had any training in the subordinate appointments of the Enrolled list. There are officers in the Financial Department whose reputation is more than Indian, and who have held these appointments, *i. e.*, Accountant Generalships, who never had any training of the kind. These cases are however exceptional, and as a rule I consider it desirable that Accountants General should have this experience. There are a number of Civilians in the Department who have had considerable training for it as Under-Secretaries in the Financial Department, and I think the training they underwent was quite equal to the training they would have got in the Enrolled list.

Do you consider that for the purpose of learning the Account Code and the audit system it is desirable that they should undergo a training in the Enrolled list?—Yes; at the same time all Civilians have a certain training in account matters and a certain knowledge of the Account Codes. Nowadays young Civilians have to pass very severe examinations in Treasury accounts and procedure, and are for a certain time put in charge of Treasuries, and very frequently they turn out very good Treasury Officers. That kind of training is undeniably useful.

Then you would maintain the present minimum of appointments in the Enrolled list for Covenanted Civilians?—If it is found that with three or four Civilians in the Enrolled list you cannot secure the training which you consider necessary for an Accountant General, or because those officers are frequently called upon to act in higher appointments for officers on leave or deputation, then I would say put in one or two more, and be guided in that matter wholly by the interests of the Department.

Have you had many Eurasians and domiciled Europeans serving under you?—Yes.

Did you think well of their work?—One of the most useful men in the Enrolled list belongs to the class of domiciled Europeans, or rather of Statutory Natives. Personally I would like to see more Natives and Statutory Natives admitted into the Enrolled list, or a considerable number of the appointments which are now reserved for Enrolled Officers removed from the Enrolled list and thrown open more freely to Natives. I am not prepared to say in what proportion this might be done; but if I were asked if I would like to see half of the existing appointments filled by Natives and Statutory Natives, I should be inclined to say yes. The pure Asiatic has never, so far as I know, been tried in any of the higher appointments; but, judging from the way in which some of them have worked in subordinate positions, I think they would do well in those appointments. I would certainly largely increase the number of Natives and Statutory Natives in the junior grades of the Enrolled list.

The Hon'ble Mr. *Quinton*—concld.

Mr. *Tupp*.

Do you see any objection to giving the appointment of Comptroller in a minor Province to a Statutory or a pure Native?—None at all.

Is there anything in the work done by Enrolled Officers which requires any special training or any special degree of ability?—Speaking of the ordinary Assistant Accountants General, there is nothing. Their duties are of an exceedingly mechanical nature, and there is nothing in them that need not be performed by a person of ordinary ability and reasonable intelligence.

The *President*.

Is not the system of audit rather difficult to master?—There is a considerable amount of technicality about it.

To advise what books should be kept so as to exhibit transactions in the simplest form, and at the same time give you the most precise idea of the state of accounts at any given moment, requires some technical skill?—Yes. But the compilation of the accounts of the Province and the responsibility for their accuracy is a matter with which the Accountant General has exclusively to deal. He is responsible to the Comptroller General, the Government of India, and the Local Government for the accuracy of these details. The district accounts in all the larger Provinces come before the Deputy Accountant General, and he is responsible, first, for the audit of all the vouchers; and, secondly, for the classification of all the district accounts in the classified abstract. The Assistant Accountants General have to do pension work, a certain small portion of the book and compilation work, the routine resource as it is called, audit of Gazetted Officers' salary bills paid at head-quarters and throughout the Province, and the ordinary routine of the Currency Department. But in such matters they have to deal to a great extent with the Deputy or Accountant General; in fact, the Accountant General is really responsible for, and keeps constant and daily touch with, all the departments of the office, except perhaps in some matters that come directly under the Deputy Accountant General. In the case of higher officers of a certain standard even ordinary objections are sent to the Accountant General, and every last-pay certificate granted to an officer who goes home or leaves his own Province for any other part of India or England must be signed by the Accountant General.

What are the defects you notice in the present Enrolled staff?—Their education is somewhat defective in many cases. They are sometimes inaccurate. The habit of work is peculiarly difficult for them to acquire, because they

The *President*—contd.

can rely so much on the superior Superintendents to do their work. You can go to a Superintendent or Chief Superintendent, and you may be perfectly certain he will tell you what you want at once. You are not obliged to work it out yourself; and therefore it very often happens that when an Accountant General sends for one of his Assistants and asks for information in any technical matter, he says, 'May I refer to Mr. so and so,' a Chief Superintendent.

Do you consider there is any ground for the suggestion that has been made to us that Accountants General do not pay sufficient attention to the training of the junior members of the Enrolled grades?—I have no doubt they would turn out better officers if the Accountants General could devote a larger portion of their time to seeing them trained. But the Accountants General have

The *President*—concld.

really no leisure to do this. All they can do is to assign them their work under experienced members of their own Service. The junior members of the Enrolled Service have two searching examinations to pass. When they pass that examination, they are given a portion of the work of the Treasury Account Department, which is perhaps the most important part of the work of the office, to do under the supervision of the Deputy Accountant-General, who to a considerable extent looks after their work and sees that it is properly done, and in this way they pick up a certain amount of experience. But, as I have already stated, they spend several years in duties which are not, strictly speaking, connected with accounts, and they usually only gain practical experience of the accounts of the Province or of the Empire when they become Deputy Accountants General.

WITNESS No. XI—*14th April 1887.*

Examination of H. A. ANTHONY, Esq., Deputy Accountant General, North-Western Provinces.

The *President.*

I joined the Department in 1876. I was born in India and educated at the Mussoorie school. I obtained my appointment as Probationer by competition, in which five nominated candidates competed for two appointments.

I have been engaged in the ordinary duties of Accountant General here, and also on special audit duty in Calcutta.

I was at Rurki for a year before I entered the Department. I consider the present system of appointing gentlemen to the Enrolled grade of the Department is not altogether satisfactory. I would have promotion from the lower grades, and a wider system of limited competition for first appointment.

I consider the present system of competition is too limited to ensure good results. I speak from experience. I would limit promotion from the lower grades to men under 50 years of age. I consider it necessary to maintain the distinction between the Subordinate and Enrolled Services. My reason is that a man in the lower grade may be a very excellent servant by reason of local experience, and the benefit of his experience would be lost to the Department and to himself by promoting him to the Enrolled grades, because such promotion would necessarily mean his transfer to another Province.

Mr. *Quinton.*

I joined the Accounts Department in Calcutta, and after two months was transferred to Rangoon. I got my first training in the Clerical Establishment, and acquired a knowledge of the routine of the various branches of the Department during the six months I was there. After I had been about 13 months in the Department, I was reported fit for promotion.

The *President.*

I was in the Probationer class for about four years. Probationers have two examinations to pass. I passed my examination in the higher standard after I had been 18 months a Probationer, and then became admissible for promotion, and in fact I did receive an acting appointment.

Mr. *Clarke.*

Since I entered the Department there have been three examinations of Natives and four examinations of Europeans, and in all eighteen nominations—twelve of Europeans and six of Natives. There have been no appointments of Eurasians since I entered the Service; whether any have been nominated I cannot say, nor can I say whether Eurasians have been specifically excluded. The examinations are not held at a common centre. The papers are sent to the Local Government where the candidate resides. In the last examination one candidate was examined here, another at Bombay, and the unsuccessful candidates at other places. One examiner examines all the papers.

Mr. *Tupp.*

The appointment to the Department of men from England who come here in search of employment is distinctly felt as a grievance by men born and educated here. Hitherto appointments to this Department have been too exclusively made from that class. I think it would not be at all difficult to find equally qualified men in this country.

The *President.*

I consider that persons who do the same duties should have the benefit of the same furlough rules and emoluments. This is not the case at present. The rules for Covenanted Civilians are more favorable than those under which I and other Uncovenanted Officers serve.

WITNESS No. XII—*14th April 1887.*

Examination of C. R. C. KIERNANDER, Esq., Deputy Auditor General, 1st Class.

The *President.*

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C. R. C. Kiernander, Esq.

My present pay is Rs. 1,950. I entered the Enrolled list of the Account Department in 1864, having entered the Subordinate grade in 1854. I was born in India and educated in England. My family has been domiciled in India since the year 1740, longer than any other Anglo-Indian family as far as I am aware, and my ancestors have served Government in the Civil and Military Departments. I was 16 when I came to India. I had intended to be a missionary, and joined Bishop's College, Calcutta, with that object. I do not think the present system of recruiting the Enrolled list of Accountants has been very successful hitherto. It does not secure sufficiently good men. It is not sufficiently open. The men who enter under it have not the opportunity of learning their work which men in the Subordinate Service have. I am in favor of recruiting the Enrolled list from the Subordinate Accounts Service. I think that system would also secure you a better class of men in the Subordinate Accounts Service. I am acquainted with European and Eurasian families whose home is India, and amongst those classes I consider we have an adequate supply of material for efficiently recruiting the Enrolled list of this Service. I cannot tell you to what extent nominations of domiciled Europeans and Eurasians have been made to this Department of late years, but I am able to say that it is felt as a grievance that a fair share of these appointments has not fallen to men of that class. They have not sufficient interest with those in power to secure nominations, and their claims are, moreover, set aside in favor of Europeans not domiciled and of Natives of pure Asiatic descent. I would recruit by nomination, and also by examination. The nominations would be made by the Accountants General and the Comptroller General. In appointing to the Subordinate Judicial Service, the system adopted by the High Court is to make selections from candidates of whose qualifications they have been able to satisfy themselves, or who have been recommended by the District Officers. I think a similar system might be introduced into this Department. I would not necessarily have a minimum of candidates, but I certainly would have a minimum of marks. I do not apprehend that there would be any scarcity of candidates.

The Hon'ble Mr. *Quinton.*

Appointments to the Subordinate Accounts Establishment are now made by nomination.

The *President.*

I do not think it is absolutely necessary that the Accountants General should be Covenanted Civilians; but I see no objection to appointing Covenanted Civilians to those offices. I have held the appointment of Accountant General myself, and no friction ever occurred between myself and the Executive Officers of other Departments.

The Hon'ble Mr. *Quinton.*

I see no necessity for reserving the appointments of Accountants General for Covenanted Civilians, but I think it is advisible that the Department should contain a leaven of Covenanted Civilians if it is to maintain its status. If Civilians are admitted, it will be necessary to reserve certain appointments in the Enrolled list as a training ground for them.

Mr. *Tupp.*

How do you consider that an officer not a Civilian would acquire sufficient revenue and administrative experience to be able to advise the Government as Accountant General?—In his appointment as Deputy Accountant and Accountant General he must necessarily acquire that experience.

Besides the Uncovenanted gentlemen who have already acted as Accountants General in one of the larger appointments, are there any others who would be qualified in time to hold these appointments?—I think there are about half-a-dozen who would be.

The *President.*

I do not think it would be advisable to appoint Deputy Collectors in charge of Treasuries to the Enrolled Branch of this Department; it has been tried in the Currency Department, and not successfully.

The Hon'ble Mr. *Quinton.*

I have held the office of Accountant General in Burma, the Punjab, and in Bengal, and of Comptroller in the Central Provinces. I held the office of Accountant General, Bengal, for about ten months. That was before the reorganization of the Department.

WITNESS No. XIII—*14th April 1887.*

Examination of Babu SHAMA CHARAN CHAKRAVATI, Junior Chief Superintendent, Accounts Department, North-Western Provinces and Oudh.

The *President.*

Babu Shama Charan Chakravati.

I am a Native of Bengal, but as my father was a member of the Account Department, I was educated in a North-Western Province. I was for many years the Superintendent. As regards Enrolled Officers, my opinion is that they should be recruited from the Subordinate Accounts Department by competition among candidates nominated by the Accountant General. I would admit Treasury Officers to the competition. The examination should test both intellectual and technical knowledge. The Subordinate Accounts Service should be recruited from the Clerical staff, preference being given to University graduates. Officers with such qualifications should

The *President*—contd.

The *President*—contd.

be induced to enter and remain in the Department by offers of higher pay. I desire to point out that the number of pure Asiatics in the Enrolled list is unduly small. Out of forty appointments, only six are held by Natives of pure Asiatic descent. I wish also to say that the office of Accountant General should always be held by a Covenanted Civilian, because he would

The *President*—concld.

have more experience of the financial recources of the country, and be in a better position to advise the Local Government financially. I also consider that it is desirable because it avoids friction, inasmuch as the Accountant General has to control the expenditure of officers of the highest rank in the Civil Administration.

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Babu Shama Charan Chakravati.

Sittings at Lahore.

WITNESS No. XIV—*23rd April 1887.*

Examination of W. H. EGERTON, Esq., Assistant Accountant General, Punjab.

The *President.*

When did you enter the Department?—In 1878, by limited competition, as the system at present obtains. I served for a very short time in Madras. From Madras I went to Rangoon, from Rangoon to Lahore, from Lahore to Allahabad, from Allahabad to Nagpur, from Nagpur to Calcutta, from Calcutta back again to the Punjab, then back again to Calcutta, and finally to the Punjab. I have been moved altogether nine times in the nine years of my service. The reason of my first transfer was that Sir Charles Aitchison wanted me to live with him at Bangalore, where he was about to go as Chief Commissioner, and I was on my way to Bangalore when he was transferred to Burma. I was then transferred to Burma at his request. After about a year in Burma I came to Lahore. I have been three distinct times serving here.

Have you formed any opinion as to the present constitution of the Department?—Yes. I think the highest appointments in the Department ought to be open to any one, and not reserved as they are now for Covenanted Civilians; and I think the Department might be recruited from all classes, Europeans, Natives, and Eurasians.

Would you have these classes compete for the appointments together or separately?—Separately, because I think that a Native in a competitive examination stands a good deal better chance than a European without necessarily being the better man for the Department. There is a certain art of competition which Natives seem to have acquired more readily than Europeans. I would have the competition among nominees. I consider the existing nomination system is a good one.

Is there any reason why the competition should be limited to three as it is now?—I cannot suggest any.

What do you think about the promotion of Chief Superintendents to the Enrolled grades?—I think it is a wrong system altogether. The Chief Superintendent is an officer who has probably risen through the lower grades of the office, and therefore I think he is not likely to have the same influence over men who have been his equals at one time as a man has who has always been in the Enrolled grade; the discipline and the tone of the office would suffer by such promotions, but I will not say that in exceptional cases such promotions might not be made.

Is not the work of the Chief Superintendents similar to that which is done by the Assistant Accountants General?—In the Lahore office it is part of the same work.

The *President*—contd.

Is it desirable to set apart certain appointments in the Enrolled grades for Covenanted Civilians?—I think it is if the Accountant Generalships are reserved for Civilians. They ought to have as much special training as possible before becoming Accountants General. They should enter the Department at an earlier age than at present, and should serve as Assistants going through the year's training prescribed for Uncovenanted Officers. No Covenanted Civilian should be made an Accountant General until he had been at least 10 years in the Department.

W. H. Egerton, Esq.

The Hon'ble Mr. *Quinton.*

What is your present pay?—Rs. 600.

How old were you when you entered the Department?—Twenty-four.

Mr. *Logan.*

Do you consider that the limit of age for passing the examination for admission into the Enrolled list (25 years) is too high?—No.

Would you maintain the existing system of selecting one Native for every three vacancies?—Yes; it is not an unfair proportion, and I see no reason why it should be increased.

The Hon'ble Mr. *Quinton.*

In your opinion does or does not a competitive examination in general education form as good a test as you could have of a man's fitness for service in this Department?—I think it is a useful indication of fitness, but not an infallible test.

The *President.*

I believe in the Accounts Department you do not require those qualities which are scarcely to be tested by examination; such qualities, for instance, as physical fitness, readiness of resource, &c., which it is necessary that an Executive Officer should possess?—No.

Mr. *Logan.*

What training did you undergo in the Department before you reached your present position?—I went through the usual course of training, that is, I served in all the Departmental branches. I have been mostly in charge of the Audit Department offices as distinguished from the purely Account branches. In the Accountant General's office the work is of two kinds; there is the audit work, and

Mr. *Logan*—contd.

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the accounts work. In the Audit Branch vouchers from the Treasuries are examined and compiled under the different heads of account for each Treasury from which they are sent, and are further condensed for the Comptroller General in the Accounts Branch. That part of the office is not, as a rule, in the hands of the Assistant. I have never held sole and independent charge of the whole Treasury Accounts Branch.

Mr. *Logan*—concld.

Have you had sufficient experience of the work of Natives in the Department to be able to form a judgment as to their efficiency?—No.

WITNESS No. XV—*23rd April 1887.*

Examination of A. H. MUNROWD, Esq., Chief Superintendent, Accountant General's Office, Punjab.

The *President.*

A. H. Munrowd, Esq.

When did you enter the Department?—In 1863, as a clerk in the Treasury Accounts Department on Rs. 90. I was born and educated in England. I was not sent out from England to the Department, but obtained my first appointment through the influence of a friend. Mr. Probyn was then Accountant General. I had relatives in other Departments of the Government service here. My present pay is Rs. 520 rising to Rs. 600. All my service has been in Lahore. Members of the Subordinate Accounts Service are very seldom, if ever, transferred.

Do you wish to offer any observations regarding the present constitution of the Department?—I would recruit the Enrolled grades chiefly from the Subordinate Service, and include Chief Superintendents in the Enrolled Service. In some special cases I would not object to see outsiders brought on to the Enrolled list by competition.

Have not most of the Chief Superintendents risen from the grade of clerks to their present position?—Yes.

What education, apart from technical training, have they generally received?—That I cannot say.

On what pay do they generally enter the Service?—Sometimes on Rs. 200, sometimes on Rs. 100, and sometimes on even less.

What is the lowest salary paid in the office?—Rs. 30 a month.

What sort of men do you get for that?—We find F. A.'s and B. A.'s are very glad to take those appointments in Lahore.

You refer to B. A.'s who have not taken honors?—Yes.

Do you consider that the salaries in the upper grades are in excess of what is necessary?—I think not. I think the Department is underpaid as it is.

Do you know what salaries are paid in the Accounts Department at home?—No; but compared with the men in the Public Works Accounts Branch, we are very much underpaid. There are men in our office on Rs. 130 and Rs. 175 who have the same duties and responsibilities as men in the Accounts Branch of the Public Works Department have who are drawing Rs. 300 and Rs. 400.

The *President*—contd.

Have you any Treasury Officers here?—Yes.

Do you know any Treasury Deputy Collectors?—I know one in Lahore.

What salaries do they draw?—Rs. 300 rising to Rs. 800.

They have certain account duties to perform—have they not?—Nothing much to speak of.

But what they have involve greater responsibility than yours?—I think not.

Is not the work of a Treasury Officer similar to much of the work which is done in your Department?—In a certain sense it is.

Has he not to prepare the accounts for audit by you and send them up with the vouchers?—Yes.

But a Treasury Deputy Collector would not be familiar with the rules for audit, nor with the system of compilation of accounts for the purposes of the Comptroller General.

Mr. *Logan.*

Have you had a good deal to do with Native and European Superintendents?—Yes.

Do you find that the Native Superintendent is on an average equal to the European Superintendent?—I prefer the Europeans. They are more reliable.

The *President.*

In what respect?—They are more careful and have greater control over their subordinates. They get more work out of their subordinates.

Are they as willing to work for long hours?—Yes.

The Hon'ble Mr. *Quinton.*

What salary do European Superintendents get?—Rs. 200 to Rs. 400.

WITNESS No. XVI—*23rd April 1887.*

Examination of ALFRED FAKIR CHAND, Esq., Senior Superintendent, Accountant General's Office, Punjab.

The *President.*

Alfred Fakir Chand, Esq.

I am a Christian, a Bengali by descent. I was born at Delhi. My family resided in this Province. I was educated at Delhi College. When the mutiny broke out I joined the 3rd

The *President*—contd.

The *President*—contd.

Sikh Irregular Cavalry. I was only 15 years' old when I was mustered as a trooper, but actually employed as Adjutant's writer. I remained in the regiment for five years. I subsequently held the appointment of a Deputy Inspector in the Police until 1863, when, on hearing that there was a vacancy in the Accountant General's office, I entered that office on Rs. 25. I now draw Rs. 390, the maximum salary of the grade. I have always been in the Treasury Account Department, with the exception of the one year during which I was in the Compilation Branch. I think a Chief Superintendent, if otherwise eligible, might be promoted to the Enrolled grades, but I would always recruit a certain number of the Enrolled appointments by competition.

The work of Accountant General is very similar to that done by the Superintendents and Chief Superintendents, and could be as well done by the latter on Rs. 400.

The Hon'ble *Mr. Quinton.*

We find no difficulty in getting well educated Natives to enter the Department on Rs. 30

The *President*—concld.

they make better Account Officers than the less educated men we used to get, if they are perhaps not so diligent. The fact is they are above their work, and that is no doubt the reason why they frequently leave the Accounts for other Departments or professions. I consider that for accounts Natives are far superior to Europeans at first; they have a natural aptitude for accounts; but after the Europeans have been in office for a while, they become far superior to the Natives, because they have more energy, though both of them dislike the almost mechanical labour of totalling and work of that kind. The educated men we get now are, as a rule, more amenable to discipline than the less educated men we used to get. I have been 23 years in the office, and have never known any instance of connivance in the office having facilitated the perpetration of fraud outside, and with the checks supplied in the Accountant General's office it would be difficult for clerks in that office to connive with the Treasury clerks for the commission of fraud.

WITNESS No. XVII—*23rd April 1887.*

Examination of GEORGE BLEAZBY, Esq., Superintendent, Accountant General's Office, Punjab.

The *President.*

When did you enter the Department?—In 1878. I was born in India, educated at Naini Tal and the Doveton College, Calcutta. My father belonged to the Bengal Staff Corps. I entered the Department on Rs. 40 a month. I was only a few months on that salary. I am now in a grade which draws Rs. 300 to 390. I am in charge of the Budget and Resource Branches, the two most important branches in the office.

What are your duties with regard to the Budget?—I deal with the Provincial Budgets of the Civil Department. We have to prepare estimates in detail of the revenue and expenditure of each Department, which, after they have been sanctioned by a Local Government, are submitted to the Government of India for final sanction. In preparing these estimates, we depend chiefly on the actuals of the preceding years; but the local estimates are sent in. Very often we reject the local estimates altogether. We receive from the several districts and Civil Departments estimates of the expenditure recommended for the ensuing year; we compare these with actuals of the current year, and submit estimates to the Local Government. These district estimates are generally submitted through the heads of Departments. We compare them with the estimates of the preceding year, and especially the actuals of the current year, and report thereon to the Local Government. The Local Government tells us what figures to adopt, and these figures are reported on to the Government of India. We have nothing to do directly with the Imperial Budget, which is compiled in the Financial Department. With regard to resource, my duty is to assist the Accountant General in supplying Treasuries with funds. The Resource Branch of the Accountant General's office is more important in the Punjab than in any other Province: first because this Province is a deficit Province—that is, a Province whose income does not supply the whole funds required for the public service; secondly, because it is more liable than any other Province to unexpected calls for military and other purposes. Moreover, in the event of expeditions beyond the frontier, arrangement must be made in this office for resource. This business is principally looked after by the Accountant General himself; but under him I have the same duties to discharge in reference to the Budget and Resource as any member of the Enrolled Department.

George Bleazby, Esq.

The *President*—contd.

Comparing the work of Natives and Europeans in the Department, do you see any reason why Natives should not be more largely employed, or why a European should be employed at all in the Department?—I do not think a Native is quite as competent as a European to perform the duties required of employés in this Department.

You have had experience of both classes of officers?—Yes.

Entrusted with the same kind of work?—Yes.

Would you maintain the distinction between the Enrolled and Subordinate Services in the Department?—I would promote deserving Chief Superintendents to the Enrolled grades. I think their ineligibility for promotion under existing rules is felt as a grievance.

Would you do away with the distinction between Enrolled and Subordinate and make it all one Department?—I think the distinction between the Enrolled list and the Chief Superintendent class might well be abolished.

The Hon'ble Mr. *Quinton.*

But you would maintain the distinction below the grade of Chief Superintendent?—Yes; I think it is necessary to do so.

The *President.*

As a Chief Superintendent, do you consider it desirable that we should always have a Covenanted

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The *President*—contd.

Civilian at the head of the office, or would you prefer to see the office administered by the head of the Enrolled grade?—Personally I should prefer to work under a Covenanted Civilian. In the first place, he has to audit the accounts and criticize the expenditure of heads of Departments, and I think a great deal of friction is avoided by his being a Covenanted Civilian.

But what is your reason for saying that you personally would prefer to work under a Covenanted Civilian?—I mean that I would rely more thoroughly on a Covenanted Civilian than on an Uncovenanted Civilian to recognize merit in the office and guide promotion.

You consider that there must necessarily be in the hands of the head of the office not only a great deal of patronage, but of power of promotion?—Yes.

Do you think that if you had not at the head of the Department one who was comparatively independent of the Department, you might find there was less impartiality shown in the distribution of patronage?—That would depend on whether he had been appointed from the lower grades or not.

The *President*—concld.

When you say lower grades, to what grades do you refer?—I mean one who has risen from the Chief Superintendent's grade, but of course that is not possible. I wish to add that I think the names of all members of the Subordinate Accounts Service should be borne on one general list, and that they should be transferred from one Province to another in the interests of the public service. Such a system would give the Accountant General a wider field of selection, and besides there would be more openings for promotion in the larger Provinces. Under the present system, it may at any time happen that a Chief Superintendent in one Province is the junior of several Superintendents in another Province.

WITNESS No. XVIII—*23rd April 1887.*

Examination of LALA GANPAT RAI, Pleader, Lahore.

Lala Ganpat Rai.

The *President.*

I was formerly employed in the Accountant General's office in this Province. I entered the Department on Rs. 40, and subsequently officiated on Rs. 60 to Rs. 85. After four years' continuous service, I left the office because I saw no prospect of promotion, and adopted the legal profession. I had held the post of gazetted Assistant in the Audit Department. I wish to point out that out of forty-six appointments, there are only six Natives on the Enrolled list. I think the Enrolled list ought to be recruited entirely by Natives, because Europeans have practically the monopoly of the higher grades in the Police Department, and also because they are the cheaper agency, and are as competent for the work as Europeans.

I propose to reduce the pay of this Enrolled Department very considerably, and also the pay of the Probationers. Half of the appointments to the Enrolled grade should be made by competition amongst University graduates and half by promotion from the lower grades; and for this purpose I prefer a Provincial system of competition. The pay of the lower grades of the Clerical staff is too low to get us good men. An attempt has been made to get B.A.'s on Rs. 40 and M.A.'s on Rs. 60 without success.

The system which guides promotion in this grade is also unsatisfactory. Promotion here depends very much on favoritism, and merit is not regarded, as I know from my own experience. The appointments are made by the Accountants

The *President*—contd.

General, who are very frequently changed, and each new incumbent has only the character book, written by his predecessor, and the reports of subordinates to guide him; and the fact is that the European clerks, whatever their abilities were, have generally superseded the Natives.

The Hon'ble Mr. *Quinton.*

Are you sure there have been frequent changes in the Accountants General here?—We have had three changes in ten years. I wish also to say that Natives make more competent Superintendents than Europeans do. On two occasions European Superintendents have been degraded and replaced by Natives. Those men were only retained in the office at all because they were Europeans. They had been 20 years in the office, and I personally know they were not fit to be in the Department at all. I do not consider that it is necessary that the head of the Department should always be a Covenanted Civilian. Personally I should have no objection to serve under either, and I think a Native gentleman could perform the duties of Accountant General without detriment to the public service.

Mr. *Logan.*

I would limit the proportion of Eurasians in the Enrolled grades to one-sixth. Personally I would prefer not to have them in the Department at all, but since they are domiciled, I suppose they must be provided for.

Sittings at Simla.

WITNESS No. XIX—*14th May 1887.*

Examination of J. WESTLAND, Esq., C.S., Comptroller General and Acting Financial Secretary to the Government of India.

J. Westland, Esq., C.S.

The *President.*

When did you enter the Government service?—I entered the Civil Service in 1862, and served in various district appointments till 1870. I was a District Officer for about two years, and in 1870 I became Under-Secretary to the Government of India

The *President*—contd.

in the Financial Department. *After having served in that capacity for a year and a half, I went for a year's furlough, and on my return was appointed* to act as Accountant General of Bengal. I served in various other appointments in the Accounts

The *President*—contd.

Department, and in April 1880 I was appointed Comptroller General, which appointment I have held, with short intervals, ever since. During one or two of those intervals I acted as Financial Secretary, and during another of them was deputed on special duty to England to give evidence before a Parliamentary Committee connected with Indian Finance. During another of those intervals I took temporary charge of the accounts of Egypt. I am at present Acting Financial Secretary to the Government of India.

Will you kindly favor us with the history of your Department since its reorganization in 1862? —In 1862 it was the intention of the Government of India to formulate more distinctly the organization of the Accounts Department as a separate branch of the public service. An order was accordingly issued which created a series of salaries and appointments beginning with about Rs. 400 a month and rising to Rs. 2,000. These appointments corresponded to those of the present Accounts Department up to and including that of Accountant General. At that time the principal appointments in the Department were officered by Covenanted Civilians, and at the head of the Department was the Accountant General to the Government of India, who is now called Comptroller and Auditor General. It was part of the new scheme that in future the Department should be officered indifferently by officers who belonged to the Covenanted Service and by officers who did not, and by officers also of any race. As a matter of fact, the pay of the highest appointment, Rs. 2,000, was too small to induce Covenanted Civilians to remain in the Department after 15 or 20 years' service; and if the organization had remained unchanged, the Department would necessarily have become entirely a non-Civilian one. The Covenanted Civilians who were in it in 1862 retained their right of succeeding to the previously existing higher salaries, in lieu of those fixed on the scale of 1862, and the new organization would thus take effect only as those men passed out by seniority. But in 1873, in consequence of the commencing retirement of these Covenanted Civilians, the question of introducing Covenanted Civilians into the Department arose. In the interval a reformed system of accounts had been introduced after long enquiry by the Commissioners of Accounts (1866). They seem to have recognized the more important position their scheme gave to the Accounts Department in bringing in the title of Accountant General in lieu of Deputy Auditor and Accountant General (paragraph 440 of report). Further, the functions of the Accounts Department had become very much more important by reason of the introduction of the Provincial Services scheme, and I may say also by reason of the general expansion of the administrative business of the Government of India. If you compare the headings of accounts in the Financial Statement of 1861-62 with the headings in that of 1870-71, it will be seen how great had been the expansion of the business of the Government and of the area covered by the Accounts Department. The system of 1862 evidently contemplated little more than a Clerical Accounts Establishment; and, as a matter of fact, the Department was largely recruited under it from men who had been in the clerical grades, and some of whom were unfit

The *President*—contd.

for any higher class of work, whereas under the new system it became necessary for the Accounts Department to undertake the general business of finance; and the Accountants General became the Financial adviser of the Local Governments, who had separate accounts and a separate financial administration, in a sense which was not applicable in any way to the system of administration prevailing in 1862. In short, the Accounts Department became part and parcel of the ordinary administration, instead of a merely Clerical department outside it. For this work the men then in the Department were considered for the most part unfit—the older ones because their capacity was little more than clerical, and the younger ones because they were not yet qualified by standing and experience for responsible posts. Accordingly, between the years 1873 and 1880 the Government brought five or six Civilians into the Department to fill the higher posts, giving them the salaries which were reserved in the orders of 1862, but which, in the 1862 scheme, it was intended gradually to abolish. This introduction of Covenanted Civilians to the higher posts was also in a measure due to a claim advanced by the Covenanted Civil Service to the office of Accountant General as having been by Act of Parliament reserved for that Service. There was a long controversy over the matter, in which at the time I took no part; but in the end, between the question of the competency of the then existing officers to fill these appointments and the claim of the Covenanted Civilians to fill them, the Government decided, in a Resolution of 1880, that ordinarily the existing appointments of Accountant General should be filled by Covenanted Civilians; and in order to attract Covenanted Civilians to these appointments, and in order to keep them in these appointments, the pay which had been allowed to them in the 1862 scheme was increased. Since 1880 the organization of the Department in the above respects has remained the same, but an addition has been made both to its duties and to the number of officers provided in it owing to the addition of the functions of Auditor General in 1883. In 1880 officers below the grade of Accountant General were divided into six grades, and called Enrolled Officers. These corresponded generally with the list of the Department as prescribed in 1862, the Accountant Generalships being taken out of it and placed above it. At the same time it was resolved to set apart three of these appointments in the Enrolled grades for Covenanted Civilians in order that there might be the means of giving selected Civilians practical experience in the Department, and thus qualifying them the more to succeed to the office of Accountant General. After 1862 the officers of the Enrolled Department were mainly men who had risen from subordinate grades; but there were afterwards added several who had been recruited in England, and there were also some who had been recruited from the Executive Service, and who had entered the Department in the Currency appointments. In about 1868 to 1872 some men were appointed to the Department by nomination, but thereafter a system of recruitment by nomination and competition combined was laid down, and it has since then been adhered to. This competition was at first designed mainly for Europeans or Eurasians, but a few selected

The *President*—contd.

Natives were brought in by nomination for academical distinction or other personal merit.

In the order of 1862 it was stated that it was not the intention of the new organization to exclude members of the Subordinate staff from the Departmental offices; but, as a matter of fact, from 1868 until 1880, no nominations were made from that class. As already stated, they were already too numerous for the efficiency of the Department; and it was another class that was wanted, and was attempted to be recruited after 1868. In the organization order of 1880 the desirability of recruiting in this way to some extent was reasserted, and it was specifically laid down that in addition to the Enrolled Officers, of whom the number was reduced to thirty, there should be eight Chief Clerks recruited from the Subordinate staff. In short, the forty-two unreserved officers of the old scale were broken up into two classes, thirty "Enrolled" Officers and eight Chief Clerkships. This number (eight) has since been increased to twelve mainly by the transfer to the Chief Clerk (now Chief Superintendent) class of some of the senior appointments in the various offices. The orders of the Secretary of State of 1879 about the appointment of Europeans to Government service did not apply to the Accounts Department, but in the reorganization of 1880 it was laid down that the nominees at every third examination should be Natives of India of unmixed descent. As regards Chief Superintendents, there was no particular restriction, and at present three of them are Natives of unmixed descent. In the Enrolled list there are one in class IV, three in class VI, and two among the Probationers.

In consequence of the reduction of these appointments to thirty, a number of officers already appointed had to be treated as Supernumeraries of the 6th class, and the Chief Superintendentships were commonly filled up as these Supernumeraries were brought on the permanent establishment. One consequence of the reduction was, therefore, the cessation for a considerable period of recruitment for the Enrolled grades; otherwise the number of Natives of unmixed descent in the Enrolled list would be larger than it is.

The Chief Superintendents are for the most part officers selected from the Subordinate staff for exceptional qualifications. Their duties and their pay are much the same as those of the lower grades in the Enrolled list, though in that class of duty I would certainly consider them the more competent of the two. On the other hand, they would not ordinarily be the more competent in the higher ranks, for which we require different qualifications. The question has not practically arisen hitherto whether any particular Chief Superintendent might not pass into a class corresponding with, or leading to, the higher grades of the Enrolled Officers, as none of them are as yet over six years' standing as Chief Superintendents. Under existing orders, the Superintendents and the Enrolled list are quite separate, and a Chief Superintendent cannot ordinarily be transferred to the Enrolled list owing to the rule which prevents the admission to that list of any person not recruited in the manner laid down (see paragraphs 17 and 24 of the Resolution of 4th November 1880, No. 3577). The Government of India has, however, reserved to

The *President*—contd.

itself a free discretion to appoint any person to be an Enrolled Officer whom it may deem it to be for the interests of the public service so to appoint. The Government does not confine its selection of Chief Superintendents to the Subordinate Accounts Department; but, as a matter of fact, only one has been appointed during these six years who had not been for some time in the Subordinate staff.

Before 1883 there was practically no distinction between the ordinary Clerical staff and the Superintendents—that is to say, they were all recruited in much the same way, and most of the Superintendents had in fact risen from the lower paid clerical appointments. As the Superintendentships were in themselves valuable appointments, and the creation of Chief Superintendents had given them better prospects than before, it was considered advisable to separate off all the higher paid appointments of the Department, *viz.*, those receiving a salary of about Rs. 150 and upwards, into a Subordinate Accounts Service. The reason of this was that it was found that, in consequence of there being no distinction between the clerks engaged in purely clerical duties and the clerks engaged in account work, it might happen that a man might rise by seniority to a highly paid appointment who had no previous experience of, and no capacity for, accounts. Another reason was that it was considered probable that we should get more competent men for these higher paid appointments if we did not practically restrict ourselves to the condition of their beginning service in a 30-rupee clerkship. The plan was not introduced until we found that, as a matter of fact, we were running very great danger of having the higher appointments on the establishments (to which very responsible duties are attached) filled in course of seniority by men whose only qualification was that they had outlived their contemporaries, and who had lost all their energy. In all our offices there are several appointments of Rs. 150 and over, and sometimes as high as Rs. 400 or Rs. 600. By making these into a separate service, we both obtain for them a class of men of a higher stamp than we get or require for lower paid appointments (though we select from these latter also), and we have also obtained a marked advantage in giving them a higher status than mere members of office establishments. The Subordinate Accounts Service is not a service in which all the officers are graded altogether, being still considered as belonging to their own offices, and to be on their own office promotion list. Each Accountant General brings in his own man just as he would if there were no Subordinate Accounts Service; but while he has certain powers of selection, he is bound to ask the Comptroller General's assent to his nominations. The Subordinate Accounts Service does not imply a seniority list for the whole of the Accounts offices, but simply combines under certain conditions of service the higher paid appointments in each Accounts office. The appointments still belong to the local Accounts office, and are filled up locally; the men are not ordinarily liable to transfer, though, as matter of fact, we have so far loosened the local tie that we have occasionally selected from one office for vacant appointments in another. I may mention also that even for the lowest paid appointments we have a system of entrance by examination laid down, *viz.*, the system prescribed in the Accounts

The *President*—contd.

Code, 79, 23. It is not, however, obligatory; and I have myself repeatedly obtained good men, both Europeans and Natives, by asking educational authorities to give me a man for an appointment of, say, Rs. 60.

You have been so good as to describe to us the present constitution of the Department; will you give us your opinion whether or not the orders of Government reserving the appointments of Accountants General ordinarily to members of the Covenanted Civil Service are expedient?—It will be understood that any opinions I may express are merely those which are based in my own experience as Accountant General and as Comptroller General, and that I make no reference to opinions that have been formed by the Government. My own opinion is that the higher offices in the Department ought to be, as a rule, reserved for Covenanted Civilians. By 'as a rule' I mean that one or two of the Enrolled Officers, if they are men of conspicuous merit, ought to be admitted to these appointments; but, at the same time, that the Accountant Generalships ought to be looked upon as purely Civilian appointments, so that when any Enrolled Officer who is *not* a Civilian holds such an appointment, he will be practically looked upon by the other branches of the Administration as one whose personal fitness, and not merely whose seniority of standing, has entitled him to a position which has the *prestige* of being a reserved appointment. The principal appointments in the Administration generally are held by Covenanted Civilians, and it would diminish from the efficiency of the Accounts Department as a whole, and from the personal ability of the Accountant General, to carry on his work if the Accounts Department were regarded as a branch of the Administration which was not in this respect on the same footing as the rest. The Accountant General is in perpetual and close relation with the Government, being one of its Financial advisers, and he is also in constant communication with the heads of Departments and high officers of Government generally. Apart from the fact that a 'service' bond makes all such matters flow more smoothly, it is quite necessary for the maintenance of his position that his status should in no way be a lower one. Moreover, an intimate knowledge of the executive administration of the country and a personal experience of one's own relation to it are highly important qualifications in an Accountant General. Eight or ten years of actual district work I consider to be of much more value as a training for any responsible administrative office than a whole lifetime spent in looking at things from the outside point of view, which is alone available to a subordinate in an Account office. As the head of a very big office also, the Accountant General has a large amount of patronage, and must necessarily exercise a high degree of selection among his subordinates; and he will be much more trusted by his subordinates, both gazetted and non-gazetted, if he belongs to a distinct and independent Service. Further argument in favor of this opinion is this, that in many of our higher Departments we are in close and intimate relations with the mercantile and banking public, and in these relations are greatly smoothed over by the fact of the officers in question being known to belong to the Civil Service. It is possibly a mere prejudice, but even as a prejudice it should be taken into account. I have had a great deal to do with bankers myself, and the mere fact of my being a member of the same Service which filled the other chief administrative appointments gave me a position of confidence with them. Another matter which must be borne in mind in connection with this subject is that the appointments in our Department are made by the Government of India, but the officers themselves are in very close connection with the Local Governments; and the Local Governments much prefer to deal with an officer who belongs to the same Service as their own officials to having to deal with a man who, during the whole of his service, has been an outsider, so far as the local Administration is concerned. At the same time, and as a pure question of personal fitness, I am bound to say that I consider some of the non-Civilian members of the Department are, or promise to be, quite fit to hold the post of Accountant General, except that they must labour under those personal disadvantages I have already alluded to. I would gladly see a rule laid down that one Accountant Generalship shall ordinarily be held by a non-Civilian Officer; only we would have, in justice to the others, to make it a sort of 5-year appointment. Possibly the promotion of Burma to a Lieutenant-Governorship may give an opportunity for introducing some such rule without interfering with anybody's claims.

Do you consider it necessary that a certain number of appointments in the Enrolled grades should be reserved as a training ground for Civilians for these higher appointments?—I think a certain number of places in the Enrolled list should be reserved both for the training of Civilians for these higher appointments, and because it is an advantage that we should pass some Civilians through the Department back into the general line of the Service. There is a kind of training which is obtained in the Accounts Branch which is very useful in many other branches of the Administration; for instance, for the post of Financial Secretary to Local Governments. I think it is of advantage to the Local Governments generally that they should have in their service men who have a practical knowledge of the working of the Accounts Department. It is not necessary, in my opinion, that these Covenanted Civilians should be kept in the Accounts Department until an Accountant Generalship falls vacant for one of them. So far as their selection as Accountants General is concerned, our purpose is answered equally well if, after passing through the training which the Department affords, they have gone back to the general line of the Administration, to be recalled, if necessary, when an occasion arrives for the use of their services and experience in the Department.

As regards the recruitment of the Enrolled grade?—I think the present system is as bad as it could be. It is a system of nomination without the responsibility of nomination. Under it it is a mere chance whether we get a good man or a bad. I have formed no definite idea as regards this branch of the Committee's enquiry—the recruitment of the Department; but it seems to me

The *President*—concld.

that if you make up your minds that you require men of European training for some of the offices in the Department, and if you regulate the pay of these officers accordingly, you ought in a large measure to recruit for them in the same way that you recruit for the technical Departments, *viz*, through the Secretary of State. You must to some extent recognize the claims of Anglo-Indians and Eurasians (I am for the present leaving out Natives); but so far as it is desirable to have men who are Europeans by birth and education, you get far better men through the Secretary of State than by any system of nomination in India. For Anglo-Indians and Eurasians you must arrange otherwise; some very excellent officers of this class we have obtained by a process analogous to selection from the Chief Superintendent class. I do not place the whole of the Enrolled offices of the Department in the category requiring to be thus filled. My own opinion in regard to the present Enrolled list is that it ought to be curtailed, and I drew up for the Finance Committee a list of the appointments which I think ought to be reserved for some method of special recruitment. This list is as follows:

(1) The Comptroller General and the five Accountants General must each have a competent Deputy	6
(2) Add two Deputy Auditors General ...	2
(3) For the five Comptrollerships we also require competent Gazetted Officers ...	5
(4) Add the Assistant Secretary, Financial Department	1
(5) The Currency offices, Calcutta and Bombay, are posts of great responsibility ...	2
(6) And at the four stations to which a Currency office is attached to the Accountant Generalship, we also require Enrolled Officers (Allahabad, Lahore, Madras, Rangoon) ...	4
(7) Outside Audit work requires a man of some standing and capacity, and cannot be given to a clerk. Of those outside Audit Departments we have one in Bengal (1), one in Madras (1), and an important one under the Comptroller General (2) ... ... (Many of their duties are prescribed by law.)	4
(8) The Pay offices in Calcutta and Bombay require Gazetted Officers	2
Total officers required for duty ...	26
Allowance for leave vacancies and for Assistants not yet sufficiently qualified to take up the above posts	8
Total strength of the Enrolled list ...	34

This list makes a total of twenty-six offices, and would require a service of about thirty-four men.

The Hon'ble Mr. *Quinton*.

In your opinion should they all be Europeans and recruited in England?—If you reduce the number of the Enrolled list to this standard, you must have a considerable number of them recruited from England, or at least from the European classes. This would bring about the result that the rest of the appointments would be filled by the Chief Superintendent class, and it would be among them in a great degree that you would look for your Native recruits. Of course the qualifications of Natives and Europeans differ for the various kinds of work. There is work to be done in the Department for which

The Hon'ble Mr. *Quinton*—contd.

you cannot help employing Europeans; take, for example, the case of a Currency office. In a Currency office you have to deal directly with bankers and men of business. If you were to put a Native in that position, you place him in a position in which he is at a great disadvantage simply because of his being a Native. Take another case. You have a Pay office in Bombay and a Pay office in Calcutta. There is nothing in the work there which places it beyond the capacity of a Native to perform, but at the same time there is a great deal of urgent work to be done by reason of the constant flow of officers through these places, who come to have their papers made up and their allowances set forth, and so on. Whenever urgent work is to be done, a Native will be apt to break down. He will not bear the personal responsibility of going out of routine; and whenever you want a man to whom, if necessary, you can apply to do something in a hurry, you must have a man who has been trained in European ways. We have had Natives in these posts occasionally, and I cannot say they always failed in them. One man in fact did very well, but at the same time that man was altogether an exceptional case, and I do not believe that by any system of recruitment you would get half-a-dozen Natives equal to him for the Department. A Native also is not equal to a European (I mean a man bred and trained in European ways) in the work of organization and management of a large office. Even when you get down to the Superintendents—men who have charge of a branch where there are from ten to twenty or thirty clerks—you find the difference marked. A Superintendent who is a Native can rarely get over the fact that he belongs rather to the side of the clerks than to the side of the masters. You cannot trust him to the same extent to work his clerks, and the work is not so efficiently turned out as it would be under a European. Here also I quite admit there are exceptions. I have known Native Superintendents whom I could trust as absolutely as I could trust a European. But these were men whom you could see that the clerks who worked under them regarded as of an entirely different calibre from themselves; and taking the Superintendents as we find them, recruited in the way they are, you find that, as a rule, the Europeans are better than the Natives, both because they are much more ready to bear personal responsibility, and because they are more widely separate from the class of men whom it is their business to look after, and feel themselves free from any fear of unpleasantness, if they apply pressure to their subordinates.

Under the present system you are obliged to give every third appointment to a Native. Your own plan, while taking away one-third of the appointments which might possibly be filled by Natives, would leave the remainder of the thirty-four to be filled only by Europeans?—No. There are some appointments among the thirty-four which might be filled by Natives; but not one-third, or anything approaching one-third, could be so filled with any advantage to the public service.

And therefore you would reduce the proportion of Native recruits in the Enrolled list?—Yes, but I would increase it in the Chief Superintendent class.

The Hon'ble Mr. *Quinton*—concld.

I wish distinctly to say that the question of the manner of recruitment for the Service is one to which I have not given much attention. It seems to me that there is necessarily great difficulty in suiting a special recruitment to so small a service. My present purpose is rather to give to the Commitee my ideas as to the class of men who best suit the work, and to leave to the Committee the question of how to get them. It must be remembered that the Banks, whose work is mostly analogous to ours, find it best to recruit for their principal offices from the European element. I fully admit that the Government is bound to open its service to Natives in a sense in which the Banks are not so bound; but I consider it my duty at present to deal with the question purely from the point of view of the efficiency of the Department in doing its work, and to leave to the Committee any question as to the comparative claims of Natives and non-Natives. As I have already said, I have had very many excellent and trustworthy Natives serving under me than whom I would not wish for officers more competent for their work. But it is all a question of selection; the Native competent for the work is much rarer than the European, and so long as our methods of selection are not sufficiently refined to enable us to pick him out, we necessarily have less risk of failure when our selections are made from a class whose average competency is higher.

The *President*.

In your opinion does the present system of recruiting the Enrolled Officers give you good men?—I think it does not give you men whom you could regard as in any way selected.

You say there are certain appointments which must be filled by Europeans recruited at home; why not by Europeans recruited in this country?—My opinion is founded on the experience of other Departments, which shows that when you have a good salary to offer in this country, you get a better class of Europeans by recruiting at home than you do by recruiting in this country.

The Hon'ble Mr. *Quinton*.

Would you promote from the Superintendent class to your thirty-four reserved appointments?—In exceptional cases I would. What I say is that I have in the Department twenty-six appointments which must be filled either by Europeans or by Natives who have shown a capacity altogether exceptional. Besides these there are fifteen appointments for which the same kind of qualification is not necessary. The great difficulty in the way of amalgamating the Chief Superintendents and the Enrolled lists is this, that as a rule a Chief Superintendent is a man whom you have selected as such after he has served a considerable period in the Department and arrived at a comparatively advanced age, while the members of the Enrolled List Service are men whom you have selected with a view to their proceeding still higher, and are seldom more than 25 years of age. They must be taken as belonging to different classes of men having quite different qualifications. But, besides the Superintendents, I should like occasionally to bring in some Native Treasury Deputy Collectors to the Department. I consider

The Hon'ble Mr. *Quinton*—contd.

there are in that class very excellent men, and men who have had an opportunity in their ordinary service of showing their fitness for the kind of work we have to give them.

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They would be admissible only to the lower appointments?—Not necessarily. I have already expressed my opinion that training in district work is as useful for our purposes as training in an Account office. There are no special mysteries in the Account offices, and no special art by the acquisition of which our men become capable of accomplishing tasks as "trained Accountants," which are mysteries to the rest of the world. It is more a matter of taste for a certain class of work and the cultivation of habits of method and precision. There is necessarily a certain amount of technical knowledge; but the main qualification of a competent officer in our Department is that he should have an intimate acquaintance with a vast amount of detail of procedure, so as to know at every moment the relation to the rest of the work of the particular piece of work he himself has in hand. All this has to be gathered by experience and practice, the amount of which depends upon the personal tastes of the individual. My opinion is that a good Treasury Deputy Collector in all probability is so because he possesses the tastes and qualifications which would render him an efficient officer in the Account Department.

As a class how have the Natives who have been appointed to the Enrolled list proved themselves?—There are only four Natives in the Enrolled list. One I am afraid I must pronounce to be, whether from bad health or from other reasons, useless. He is an M. A. He did not get in by competition. As a rule, I have a very high opinion of Native M. A.'s, and have given Superintendentships to two or three of them after a very short probation, and have certainly thereby added to the strength of my office. Another of the four is, I think, capable of doing anything equally as well as a European; a man whom personally I would have no objection to put into one of those appointments for which I say a European is necessary.

Is there any ground for the assertion that there has been a breach of faith involved in the appointment of Civilians as Accountants General?—You may regard the claims of the non-Civilians as of two kinds. First of all, a claim to rise to a certain salary quite independently of the work or position which gives them that salary. If you take the appointments which are open to them now, *viz.*, those on the Enrolled list, deducting the four appointments reserved for Covenanted Civilians, and compare them with the list of appointments of 1862 as reformed on the 5th July 1865, you will find that in each list there are twelve appointments with salaries from Rs. 1,000 to Rs. 2,000. They slightly differ in detail, but seem to me, on the whole, of at least equal value on the new list to those on the old. The next five on both lists are appointments of Rs. 800 to Rs. 1,000 (appointments 13 to 17). Appointments 18 and 19 are of Rs. 600 to Rs. 800 on the old list and of Rs. 800 to Rs. 1,000 on the new; the next six are appointments from Rs. 600 to Rs. 800 on both lists; the next three are Rs. 400 to Rs. 600 on the present list and in the former list Rs. 600 to Rs. 800; these last three

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appointments are the only junior ones under the present regulations which are less valuable than the corresponding appointments under the old. I annex a list which shows the comparison in detail:

Number.	Comparison of old and new organization as affecting "Enrolled Officers" since		
	5th July 1865.	1883.	
	Rs. Rs.	Rs. Rs.	
1	1,500—2,000	1,750—2,000	
2	1,500—2,000	1,750—2,000	4 appointments.
3	1,500—2,000	1,750—2,000	
4	1,500—2,000	1,750—2,000	
5	1,500—2,000	1,250—1,500	5 appointments, less 2 reserved.
6	1,000—1,500	1,250—1,500	
7	1,000—1,500	1,250—1,500	
8	1,000—1,500	1,000—1,250	
9	1,000—1,500	1,000—1,250	6 appointments, less 1 reserved.
10	1,000—1,500	1,000—1,250	
11	1,000—1,500	1,000—1,250	
12	1,000—1,500	1,000—1,250	
13	800—1,000	800—1,000	
14	800—1,000	800—1,000	8 appointments, less 1 reserved.
15	800—1,000	800—1,000	
16	800—1,000	800—1,000	
17	800—1,000	800—1,000	
18	600—800	800—1,000	
19	600—800	800—1,000	
20	600—800	600—800	
21	600—800	600—800	6 appointments.
22	600—800	600—800	
23	600—800	600—800	
24	600—800	600—800	
25	600—800	600—800	
26	600—800	400—600	
27	600—800	400—600	
28	600—800	400—600	
29	400—600	400—600	
30	.....	.....	

But in making this comparison one thing must be remembered; we have compared the former with the existing list of appointments without stating the conditions which brought up the existing list of appointments to what it is. So far as the claim is that the Enrolled Officers should have the same substantive salaries open to them which were promised in 1862 or 1865, it is, so far as the present list of salaries is concerned, satisfied in all but three appointments.

The Hon'ble Mr. *Quinton*—concld.

I do not think it was so until 1883, unless you set against their complete possession of the appointments of the new list the reservation made by Government in their old list of its power to bring in outsiders over their heads. But further, they may say not merely that they should have the same pay which was promised to them in 1862, but that they should have the position which was promised them in 1862, *plus* the improvements made to the list by appointments added since that date. For example, three years ago, when the Auditor General's scheme was introduced, the Government added on, I think, two appointments of the 1st class and one of the 3rd class. From one point of view you may say that these three appointments came in, as it were, to raise the existing list as it then stood up to equality with the former list, and therefore met the claim based on the 1865 list. From another point of view, they may say that they were entitled to the list of 1862 *plus* the additions made in 1883, and that their position should not be compared with the state of things in 1862, but with the position which they would have held had they obtained, in addition to the list of 1862, the further appointments afterwards made. I do not pretend to judge whether the claim is right or wrong; but I think I have correctly stated the facts so far as they relate to the claim to enjoy a certain substantive pay. As to acting allowances, the existing rules are, I believe, more favorable than any in existence before them. But independently of their claim to a particular scale of allowances, they may urge that they are entitled upon these allowances to hold the position and appointment of Accountant General. I can only say with reference to this that, for reasons I have already stated in detail, I am afraid it is not consistent with the interests of the public service to reserve to them that appointment as it at present stands. It is not at all the same thing as existed in 1862. On the claim to compensation for its withdrawal, I give no opinion that is not a money claim.

When was the nomenclature Accountant General changed to Deputy Auditor and Accountant General?—In the list of appointments in the Resolution of 4th December 1857, there are three Accountants General—India, Bombay, and Madras, and three Accountants—Bengal, North-Western Provinces, and the Punjab. The Budget Committee of 1860-61 proposed that the Accountant General to the Government of India should be Auditor General and Accountant General to the Government of India, and that the present Local Accountants should become Deputy Auditors General. The Government of India, in its Resolution of 6th January 1861, observed that confusion will be avoided if the Local Accountants retain their designation together with the new title of Deputy Auditors, and accordingly desired that these officers be styled Deputy Auditors and Accountants General.

The *President*.

Do you concur in Mr. Gay's opinion that the number of separate grades in the Department—reserved appointments, Enrolled Officers, Chief Superintendents, Subordinate Account Service, Clerical Staff—might be reduced?—I agree

The *President*—contd.

in most of Mr. Gay's opinions in the memorandum referred to by the President; but as regards this point, I do not. The whole system of our work is built upon the plan of gradations of responsibility. An officer on Rs. 90 a month is entrusted with work of quite a different character from that of a Rs. 40 one. The amount of work to be got through is so vast in quantity that it would be very expensive if we did not begin at the lowest stage by separating off the large quantity of it that is purely mechanical, and giving that to low paid clerks. Their work is supervised and guided by a more highly paid man, who has to add to it his own more responsible duties, and so on through several gradations. I have obtained as an example of this a working memorandum drawn up and used by an officer who was once one of our Superintendents. It shows three gradations of work in auditing a Treasury account. The Sub-Auditor probably got Rs. 40 to Rs. 55 a month, the Auditor Rs. 60 to Rs. 100 or Rs. 130. Even in these matters there is a fourth stage, the Superintendent being obliged by rule (see Account Code) to lay several matters before the Gazetted Officer in charge.

Sub-Auditor's duties.	Auditor's duties.	Superintendent's duties.
1. See that all the vouchers, schedules, &c., required to be submitted with the list of payments are received, and call for wanting documents, test calculations, payment orders, &c.	1. Examine Military, Military Marine, Revenue and Topographical Surveys, and Interest vouchers.	1. Review 8 under Sub-Auditor.
2. Examine Military, Military Marine, Revenue and Topographical Survey and Interest vouchers; post them in classified abstract, and lay them before Auditor for examination.	2. Review 3 under Sub-Auditor.	2. Review 10 under Sub-Auditor.
3. Examine Deposit and Bill lists with vouchers, and compare lists with lists of payments; post classified abstract, and lay the documents before Auditor.	3. Review 4 under Sub-Auditor.	3. Pass or conduct correspondence arising out of the audit of the accounts.
4. Examine and pass Local Fund cheques: post them in abstract, and lay them before Auditor.	4. Review 6, seeing that fines are noted in Fine statement. He will accept Sub-Auditor's certificate regarding entries in lapsed Deposit and Bill Registers.	4. Act as referee in all matters of doubt and difficulty in connection with questions of Audit and classification, and the interpretation and application of rules and orders.
5. Check remittances, and post them in Remittance Register.	5. Review 7 under Sub-Auditor.	
6. Audit and post refunds of Fines, Stamp duty, lapsed Deposits, and lapsed Bills.	6. Lay objections arising out of 1 to 7 before Superintendent.	
7. Audit and classify and post Establishment Bills and Register.	7. Review 10 under Sub-Auditor.	
8. Audit and classify contingencies, and post the Registers and Objection Book, and lay the vouchers before Superintendent.	8. Examine and pass the classified abstract.	
9. Audit and classify the Education Bills which are noted in Registers.		
10. Audit and classify those that are not posted in Register.		
11. Prepare and balance the classified abstract.		

The *President*—contd.

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The whole work of the office is arranged upon this principle; and we have not only the general system of its organization laid down in the most minute and precise way in the Account Code, but we have also in most of our offices further printed manuals of instructions which carry the organization still further. Under such an elaborate system it becomes the more necessary that careful selection should always be made of the officers required for the more responsible duties. I think that the rule that the Clerical staff should pass into the Subordinate Account Service, and the latter into the Chief Superintendentships, only by a process of selection and not as a matter of ordinary promotion—a very essential part of the working of a Department in which the duties required vary so very greatly in the amount of ability required to discharge them. I have already given my reasons for considering it essential that we should be able to appoint direct (or after a little probation) to the Subordinate Account Service.

I should also mention as justifying the apparent elaboration of our organization that the whole work of our offices differs from the work of every other office in India in that it must be in a state of thorough organization to enable the whole system of work in our nine or ten Account offices to proceed definitely and regularly towards a single end. We receive our Treasury accounts on the first or second day of the month, all of which have to go through certain processes, which take about a month in the Accountant General's office, as well as subsequent processes for which about two weeks are allowed in the India Comptroller's and the Comptroller General's office; and if a single Treasury account or a single step in the compilation should happen to be in arrear, it puts out the whole system. But besides this, which I may call the systematic account, we have to collect all sorts of anticipatory information. For example, the Government has before it, ten days after the end of every month, a statement of the leading figures of the Revenue expenditure and balances of the month, and six days later it has much of the detail. To enable us to collect and compile these numerous other required details of information, we are obliged in all our Account offices to have arrangements on a much more complete system than is necessary in any other office. Everything must work like clock-work from beginning to end. This, moreover, is one reason why you require to have a good infusion of Europeans, because there are a great number of Natives who cannot get the idea out of their heads that a thing is just as well done a weak hence as now, or that delay to-day may be caught up by a rush when the time comes. You are obliged to be continually driving.

Is it necessary to have professional Engineers in the Accounts Branch of the Public Works Department?—I think Examiners who are not Engineers do their work at least as well as those who are. In the Civil Department we audit and compile accounts of all sorts of Departments without having technical knowledge of their work.

Dated Simla, 5th July 1887.

Memo. by—J. Westland, Esq.

In the evidence which I gave before you the other day, there is one matter I would like to

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develop a little more. I mentioned that I did not see any necessity for young Civilians when they came into the Civil Account Department remaining there for more than a couple of years, and expressed my opinion that they would be as well fitted for Accountant Generalships if, after that amount of technical training, they returned to the regular line.

Subsequent consideration has still further confirmed me in this opinion. I think we shall get better Accountants General if we have the pick of half-a-dozen men who have passed through this course back into the regular line than if we, by keeping on the men we happen to get, finally, after a long time, employ them as Accountants General.

The *President*—concld.

I would not therefore keep a Civilian long in the Department. We may require, besides one or two men in this sort of casual training, a margin of a man or perhaps more, who was of such standing that he was ordinarily an acting Accountant General, and might occasionally revert for short periods, during which, of course, it would not be worth while sending him back. But I would not keep men in the higher appointments of the Enrolled list (except for the short intervals just noted).

I doubt if we obtain, by that sort of service, the training we want; and as that training is the sole object with which we bring Covenanted men into the Enrolled list, I think we should not, when it is not necessary for the training, take away the appointments from the Uncovenanted members.

Sittings at Bombay.

WITNESS No. XX—*18th July 1887.*

Examination of O. T. BARROW, Esq., C.S., Deputy Accountant General, Bombay.

O. T. Barrow, Esq.

The *President.*

When did you enter the Department?—In 1882. I am a Bengal Civilian. I had been five years in the service before I joined this Department as Assistant Accountant General in the North-West, after about a year in which appointment I was sent to Bengal, first as Assistant Accountant General, and afterwards as Deputy Accountant General. After being in Bengal three years I came here.

In what relation does the Accountant General stand to the Local Government?—In the position of Financial adviser.

On what questions does he advise?—It depends a good deal on the Presidency. In Bombay he advises on almost all matters involving expenditure.

To what extent does the Accountant General financially advise the Local Government as regards the yearly Provincial Budget?—I am not very well acquainted with the Accountant General's Budget work.

The Provincial Budgets are prepared in the Accountant General's office?—Entirely.

In your judgment is it desirable that the appointments of Accountant General should be reserved for the Civil Service?—Yes. The Accountant General has to deal directly with officers in very high position, and sometimes in matters which occasion a good deal of friction—matters of leave and pay, and so on; and I think an officer who holds the position he does ought to be one whose independence at all events is unimpeachable, and I think also he is likely to secure greater respect for his rulings from officers of high standing in the Mufasal if he is a Civilian. Again, he is placed as it were between the Government of India and the Provincial Government, and has frequently to act as the mouthpiece of the Government of India in interpreting rules and orders, and I think by his being a Covenanted Civilian much friction is avoided between himself and the Local Government; but certainly having regard to his relations with officers in the Mufasal, it is very desirable he should be a Covenanted Civilian.

The *President*—contd.

Is it desirable that he should have had some experience of the general administration of the country?—Yes; I think a Civilian's district experience gives him a decided advantage over others in the Account Department.

You are aware that in the smaller Provinces the Accountants General are not Civilians?—They ought to be. In the Central Provinces, Burma, and Assam the Comptrollers are not Accountants General.

These appointments are almost always held by officers who are not Covenanted Civilians?—Yes.

Have you ever heard of any friction arising by reason of the Accountants General of those Provinces not being Civilians?—I have never served in any of those Provinces, and so am not aware of any.

Occasionally an Uncovenanted Officer has been in temporary charge of the Accountant Generalship in larger Provinces?—Yes.

When you were in Bengal do you know whether the Accountant Generalship there was at any time held by an Uncovenanted Officer?—No.

Nor in the North-West?—No.

The present system of appointment to the Enrolled grades of the Account Department is by competition—is it not?—Yes.

I believe three candidates are named for a vacancy, and they compete?—About nine or ten candidates compete for three appointments.

The *President*—contd.

Do you consider that a satisfactory system?—If you are going to retain the present costly system of an Enrolled list, which I do not consider advisable, I think you would get a better selection by selecting European candidates in England.

What are your objections to the present system?—I think the Enrolled system is too costly for the work that is performed.

Do you mean that the officers who have to do with pure accounting in the higher grades of the Enrolled list are at present too highly paid?—Yes.

You have had a good deal to do with district, work?—I have had a certain amount of district work.

Do you know anything of Treasury Officers?—My work has been chiefly subdivisional work. I have never been in charge of a Treasury district.

Since you entered the Accountant General's Department have you seen much of the work of District Treasury Officers?—I have.

As compared with officers in your Department how do they do their work? I believe they have to send up their accounts to your office to be examined?—Yes.

They must be familiar with the rules of account which are observed in your Department?—They are supposed to be so.

Can you compare their work with the work of your Department?—It is very difficult to do so in any way.

Do you consider that the previous training of Treasury Officers is calculated to qualify them for employment in the Account Department?—I think in account work it would certainly be an advantage that an officer had had considerable Treasury experience.

You said you were not satisfied with the present system of appointment to the Enrolled grade first because you considered it too costly?—Yes, and in fact I object to it only on that account.

Do you think competition limited to three nominees is sufficient to secure your getting good men?—No; and I say that if the present system is to continue, you would get a better field of selection by having the competition at home.

Why not have a wider competition in India?—I think you would have a better selection at home.

Have you worked with any Native members of the Department?—There are only four Natives in the Enrolled grades, and I have worked with three of them. They are very good Account Officers, some of them.

There is one in Burmah?—Yes, a Burmese. I have never worked with him. There are two Bengalis.

Comparing the Native members of the Department with the Europeans recently appointed are they at all inferior?—Not purely as Account Officers, but there are other reasons why their

The *President*—contd.

employment is not so desirable. In our Department there are a great many appointments the holders of which are brought into direct contact with the European public, and I think in those appointments it is inadvisable to employ Natives.

There is what is called a Presidency Pay office in this city?—Yes. It is one of those offices in which it is particularly inadvisable to employ Natives.

Are you aware that a Native has had the appointment of Presidency Paymaster?—I was not aware of that.

Mr. Ray is a Bengali?—Yes, and a particularly good officer.

Does it not depend rather on the individual than on the race?—Not quite. I think you are more likely to get a European to work that particular office satisfactorily.

Several Mufasal Treasury Officers are Natives, and have a good deal to do with Europeans in cantonments—have they not?—I have never served in cantonments, and cannot say. Of course the greater number of Treasury Officers are Natives, but I think their dealings are very different from that of the Presidency Paymaster. A Gazetted Officer has often to control officers in matters of leave, and so on, and a great deal of friction sometimes arises even between European Officers.

In such cases all the Presidency Paymaster would have to do would be to make a report?—That is perfectly true, but he is brought into direct contact with officers who are continually calling to see and interviewing us in these matters. As a matter of fact, the Local Governments have nothing to do with such questions.

Does not the report, so far as it concerns questions of leave, go through the Local Government?—Perhaps so in leave questions, but in question of pay you are certainly brought into direct contact with the officers affected.

I believe Chief Superintendents were at one time placed on the Enrolled list?—I was not in the Department then, but I believe they were.

Do you see any reason why a Chief Superintendent should not be promoted to the Enrolled grades?—No.

Is it the case that the work which is done by Chief Superintendents is very similar to that which Assistant Accountants General are called upon to do?—Yes, except that they are very rarely appointed as Presidency Pay Officers, or placed in charge of the Treasury Accounts office. The work they perform is exactly the same as that done both by Assistants and Deputy Accountants General.

Do you think it desirable that gentlemen who are appointed Accountants General should have had a training in the Department?—That is a very difficult question. I think it is certainly an advantage.

What period of service in the Department would suffice to secure this advantage?—That is

The *President*—contd.

an extremely difficult question. If the Department were officered in the way I propose, I would bring in junior Civilians of about ten years' standing, or perhaps less, and place them in charge of offices such as the Presidency Pay and Paper Currency offices, in which they would be brought in contact with Europeans. Under the present system to train an officer for the post of Accountant General, he ought to hold the appointments of Deputy and Assistant Accountant General; but as I propose to do away with the Enrolled list, and substitute for it Chief Superintendents and Deputy Accountants General for the Assistants, I would either have the Accountants General brought in direct, or would select officers who had had two or three years' experience in the gazetted grade as juniors. My scheme would be to abolish the present Enrolled list altogether and recruit Chief Superintendents from the Subordinate Accounts Service partly, and partly by the direct admission of Accountants by examination. I would leave all the work which is now performed by members of the Enrolled list in the hands of Chief Superintendents, with the exception perhaps of the Presidency Pay Departments of Calcutta and Bombay especially, as work of that kind ought to be performed by Covenanted Civilians. I think in that way we should reduce the cost of the present system. At present you have thirty and odd officers, twelve of whom draw from Rs. 1,000 to Rs. 2,000, and I think that all of the offices filled by them, with the exception perhaps of one or two, the Comptrollership of India Treasuries for instance, could be filled by men on Chief Superintendents' pay—that is, under Rs. 1,000 a month. Appointments such as the Presidency Pay office, where an officer of a different stamp is required, I would place in the hands of junior Civilians, and I would then appoint the Accountants General from Civilians who had had an office training as Deputy Accountants General, as I think it would be an advantage that they should have been Deputy Accountants General, though we have had conspicuous instances of excellent Accountants General who have not had that training. In the Post Office Department officers are appointed direct as Postmasters General, and I do not think that appointments of officers direct as Accountants General has been found unsatisfactory as a rule.

Who manages the movements of money?—The Accountant General entirely. Of course he is subject in some ways to the Comptroller General's orders.

Supposing that he finds that in one part of this Presidency a Treasury is in want of money, and another has it in excess of its requirements, does he not deplete the one Treasury to supply the other?—Yes. It is done by the Accountant General personally.

Are the Accountants General brought at all into relations with the banks and mercantile communities in Presidency towns?—He is in Bombay certainly.

In what particulars?—The Secretary of State's Council bills.

The *President*—concld.

What are his functions in regard to them?—It is a matter with which the Accountant General always personally deals, and with which neither his Assistant nor Deputy is at all familiar.

You would have the post of Presidency Paymaster filled by a Covenanted Civilian always?—Yes.

Why by a Covenanted Civilian?—I am presuming that the Enrolled list would be abolished.

But if it is retained?—I have not thought of any other way of filling the post.

The Hon'ble Khan Bahadur *Kazi Shahbudin.*

In what matters does the Accountant General advise the local Government? Is it not the case that all the work of the Finance office is routine rather than administrative work requiring very high qualifications?—I think a large portion of it certainly does not require very great ability.

Are not all matters of leave allowances and pension regulated by rule?—A great many of them are supposed to be so, but the interpretation of rules is not an easy matter.

Is he the final authority in interpreting a doubtful rule?—Yes, unless the Local Government disagrees with him, when it is referred to the Government of India.

Why should there be any friction in such matters when rules have been laid down for the guidance of officers in these matters?—There ought not to be any, but, as a matter of fact, there is a large amount. Unfortunately you cannot get every officer to understand the rules in the way they are interpreted by the Accountant General. Of course the majority of officers do not quarrel with the Accountant General's decision, but there are a large number who do, and I think the friction is liable to become much greater if an officer not in the position of a Covenanted Civilian is Accountant General. As it is, I think officers to a great extent submit to Accountant General's decisions because he is a Civilian.

What do you mean by his acting as the mouthpiece of the Government of India?—He exercises a check on the Local Government to prevent it issuing a Resolution which is opposed to rules laid down by the Government of India. I am not referring so much to the ability of the Covenanted Civilian as to his membership of the Civil Service. I think you will find just as able men outside the Civil Service.

Are the movements of money made by the Accountant General on his own motion as a rule?—Yes.

Does not the Local Government direct him when to do so?—No. He asks the local officers what they want, and sends them more or less as he thinks fit.

These local officers are generally high placed Civilians?—The Collectors are.

They are not likely to err in these matters very frequently—are they?—I should think not. As a matter of fact, the Collector does not generally manage his own Treasury, but leaves it in the hands of the Treasury Officer.

The Hon'ble Khan Bahadur *Kazi Shahbudin*—contd.

You would have limited competition for appointments in the Enrolled grade?—I have not said so.

Is any method or rule observed in selecting candidates?—I cannot say whether any system is observed, and I am not sure who has the right of nomination. When Natives are nominated, I believe the local authorities are consulted, and the examination takes place wherever it is convenient. The candidates are examined in general knowledge up to the Entrance Examination standard.

Are Matriculated students required to pass this examination?—Under the present rules, yes. The last Native appointed was a graduate, and he had to compete with the rest.

Is there one examination for all candidates, Natives and Europeans?—Yes.

Is there any limit as to the number of Natives to be nominated?—Yes. Every third nomination is given to a Native. For every third vacancy there is an examination for Natives only. They do not compete with Europeans.

Are the appointments allotted a certain number to Europeans and a certain number to Natives exclusively?—No. If three vacancies occurred in the Enrolled list, and if the last man who got in was a Native, the nomination would be of a European.

Is it the case that the standard differs for Natives and Europeans?—The standards are the same for all. It is not a qualifying test; it is a competition. The rules and subjects of examination are the same for both classes of candidates.

Why would you prefer to have candidates selected in England?—I was only alluding to European candidates. I have no objection to Natives being admitted as at present.

The *President*.

You desire to see the principle laid down by the Secretary of State enforced, that if Europeans are wanted they should be selected in England?—Yes.

The Hon'ble Khan Bahadur *Kazi Shahbudin*.

Do you know the reason for the rule which gives one vacancy in every three to a Native?—No.

Mr. *Nulkar*.

How is the Accountant General Financial adviser to the Local Government?—Proposals come up from local officers.

The *President*.

What proposals?—Of very many descriptions. They may perhaps wish to convert a certain class of institution, a hospital for instance, into another class of institution. They may propose to convert a Government institution into a grant-in-aid institution, and the Accountant General prepares a scheme of the cost.

The *President*—contd.

Does he merely help the Local Government with a proper interpretation of the rules which guide these matters?—Yes.

Is he the adviser of Government in matters of account as an expert?—He interprets rules as an expert, and advises Government in all matters not within the rules.

Does he advise the Government in such matters as the raising of the income-tax and the reduction of the salt-tax?—These are not matters for the Local Government to decide.

He interprets the Financial rules for the Local Government?—Yes.

You are aware that Uncovenanted Officers in some Provinces occupy the position of Collectors of Districts and Deputy Commissioners; and if they do so without friction, why should they not in this Department, where the work is all of one description?—I have never served in a non-Regulation Province, so cannot say.

We have heard that the examinations for European and Native candidates for this Department are different—that one is difficult, and the other easy?—That would not affect the result, even if it were so.

Has it ever happened to your knowledge that three or four vacancies occurred at one time, and one of them was given to a Native and the rest to Europeans, and that they were all examined on the same papers, and the same system of allotting marks was observed?—I cannot say. Natives do not compete with Europeans, so that it does not matter how difficult or how easy the papers are.

Mr. *Fernandez*.

In speaking of Natives, do you include domiciled Europeans and Eurasians?—I did not mean to do so.

Do you look upon them as Europeans?—I do not think we have any Eurasians or Anglo-Indians in the Enrolled list; but I think that the remarks I have made as regards Natives would apply to them.

Do you see any reason for excluding Eurasians from these competitions?—No. Under my scheme Eurasians and Natives would all come in as Chief Superintendents.

Mr. *Sinkinson*.

Does not the Accountant General do positively the same work as regards the Local Government as the Finance Member does in regard to the Government of India?—I should say so. In the case of Bombay, he does.

If he had only to advise in such matters as the reduction of salt duty, as was suggested to you, his work would be very light?—I should say so.

The *President*.

Have you anything further to add?—No.

WITNESS No. XXI—*18th July 1887.*

Examination of GODREZJI D. PADAMJI, Esq., B.A., Supernumerary Assistant Accountant General.

The *President.*

When did you take your degree?—In 1876, and obtained my first appointment in the Department a few months after. I entered the Department by nomination, not by competition.

Other graduates obtained appointments by nomination about the same time—did they not?—I believe only two. The two other Natives in the Department obtained their appointments by competition.

In what grade did you enter the Department?—As a Probationer on Rs. 200.

How long were you a Probationer?—It was more than three years before I got promotion, although it was certified that I was fit for promotion after I had been 14 months in the Department.

Promotion was very slow in your Department?—Yes. Even now I am a Supernumerary in the lower grade.

On the reorganization of the Department you were put in as Supernumerary?—Yes.

And the Europeans who entered the Department after you are also Supernumeraries?—Yes.

Owing to that reorganization of the Department very few appointments have been made in recent years?—Yes, for about seven years there were none.

The Supernumeraries are treated as Probationers?—Yes, because they take the place of Probationers; the four Supernumeraries and the four Probationers make eight, the sanctioned number of Probationers.

In what Departments have you been principally employed?—I have had charge of almost every Department, except Resource and Budget. I have had to act for officers on leave.

Will you give us your views regarding the organization of the Account Department?—I do not think we want Civilians in this Department presumably as financiers. Civilians are superior to Account Officers because of their intimate knowledge of the administrative Departments, and on that ground the post of Financial Secretary must be held by a Covenanted Civilian; but mere account experience or an intimate knowledge of the Financial Codes and of bookkeeping will not make a man a financier, and therefore service in the Department is of no advantage as a training for Civilians who are to be charged with financial duties. The appointment of Accountant General is supposed to carry with it the duties of Financial adviser to Government and Accountant, but the fact is that all the finance work is done by the Finance Member of the Government of India.

No Local Government can impose taxes nor make any change in the existing system of revenue management, borrow or lend money, and so on, without the sanction of the Government of India, so that the Accountant General is merely an adviser from an account or audit point of view,

The *President*—contd.

and not a Financial adviser. As the account and audit work is not of a high order, so as to require exceptional ability or to necessitate remuneration at the rate of Rs. 2,500 to Rs. 3,000, I see no reason why the appointments should not be held by Uncovenanted Officers. It is true that the Accountant General comes into contact with officers of all classes; but I do not see how this affects the question, for he is bound by rules and orders, and cannot contravene them.

Does the Local Government or the Government of India regulate the Abkari?—I believe it is left to the Local Government subject to certain restrictions, some of which I have just mentioned; but the Accountant General has no voice in the matter. He has nothing to do with administrative matters. He is simply an Account adviser; he has hard-and-fast rules, and has simply to apply them strictly.

Do you know how far the Local Government has initiative power in matters of Abkari?—It depends on the nature of the change they make. Any radical changes would, I think, require the sanction of the Government of India.

Supposing the Local Government desires to expend money on any particular Department, does it, before taking any action, consult the Accountant General as to ways and means?—To a certain extent it does.

When expenditure has to be made which is not covered by the annual Budget, who gives advice as to the ways and means available?—The Local Government may deal with its local resources just as it likes, subject to the restrictions just mentioned.

And if it wishes to expend money for a purpose for which a Budget provision has not been made, to whom does it apply for information whether funds are available?—To the Accountant General.

He would advise whether the money could be taken from one source and applied to another?—Yes, he would, if he were consulted by Government; the heads of the Administrative Departments affected would, I think, be first consulted as to the proposed changes.

We were informed in Bengal that the Local Government, having estimated its requirements, applied to the Accountant General for information as to the means at its disposal, and the Accountant General made a forecast of what was available for the ensuing year, and it was from that forecast that the Budget Estimates were sanctioned. Is that so in Bombay?—I do not know what the Accountant General's duties are in that respect.

Mr. *Sinkinson.*

Has he power or authority to modify the local Budget?—If he finds that the receipts have been under-estimated, or the expenditure has been over-estimated, it is his duty to enquire

Mr. *Sinkinson*—contd.

into the matter by reference to the officers concerned, but he is not to enter or alter any figure without authority from the Local Government.

Does the Financial Department leave him power to suggest financial alterations in the local Budget?—Yes.

Do you know in how many cases the Local Government has accepted his suggestions?—I cannot say.

The *President.*

What is your next point?—I wish to point out that we do not want men of special ability or intelligence for bookkeeping, audit, and account work.

You consider that Civilians are unnecessary in any branch of the Department?—Yes; they are costly and unnecessary. I have nothing to say against them, but I think their proper sphere of usefulness is administration, and that if they were not attracted by the pay, they would not forego the more interesting work of administration for the monotonous duties of an Account office.

Do you consider that the Accounts Department is the most highly paid of all Uncovenanted Departments?—In the higher grades it is.

Do you know why it is that the Department is so highly paid?—No, except perhaps because of the responsible nature of the work.

You say the work of the Department does not require very much talent?—Yes. The greater portion of it is pure routine and mechanical work; and if the Codes were simplified, the work would be much easier, and friction between officers of the Department and officers of other Departments would be in a great measure avoided.

Are you sufficiently acquainted with the history of the Department to say whether it has been found necessary to import into it gentlemen who have received a training in English Account offices?—No, I am not.

Is it your opinion that audit duty is of a kind which can be easily learned?—It requires at least a couple of years' training.

Do you think a couple of years' training sufficient to make a man a competent Accountant?—Not quite competent. Of course the more experience one has, the more efficient he becomes.

Have you ever had charge of the outside audit?—No.

The outside audit is an important branch of the Department; it is the auditing by this Department of the accounts of other Departments, such as the accounts of the Administrator General and the High Court?—Yes.

Have you seen anything of account work as done by professional Accountants?—No; I have not.

Do you see any difference in the work of Native and European Accountants employed in the Department?—I am unable to form an opinion. Excluding the two Probationers, there are only four Natives on the Enrolled list. I have worked with two of them, both of them Bengalis, and senior to myself.

The *President*—contd.

Do you personally find any difficulty in doing the work?—None.

Have any complaints been made of the way in which you do your work?—None have reached me.

What do you think of the present system of appointments to the Enrolled grades?—It is a good one if the selections are carefully made.

Is it desirable to have the competition limited to a few persons?—I would prefer to have six men to select from.

Why not have unlimited competition amongst men possessing certain educational qualifications and guarantees of respectability?—I think in an open competition the Europeans would have no chance.

But suppose the present system of separate examinations is maintained?—If the candidates were equally respectable, I see no reason for limiting the competion, except that unlimited competition would increase the work of the Examiners considerably.

Do you see any reason why Europeans and Natives should not compete together?—Except that the Europeans would be nowhere, I do not.

Why should not the Natives have all the places if they can win them?—I think it desirable to have some Europeans in the office. I myself would like to have some Europeans to work with.

Why?—I cannot give any precise reason.

Are not Natives generally very good Mathematicians?—Yes; they are.

And very good Accountants?—Yes; they have a particular aptitude for accounts.

Do you know whether it is the case that in Mercantile offices here nearly all the Accountants are Natives?—No; I do not know forcertain. I think that in one or two of the Banks the Sub-Accountants are Europeans.

Are there gentlemen training for the higher posts in the Bank?—Yes; I believe so.

Generally speaking, is it not the case that in this city the majority of the Accountants in Mercantile firms are Natives?—I cannot say with certainty.

Do you see any reason why Chief Superintendents should not be promoted into the Enrolled grades of the Department?—No; I do not see any reason. It would rather increase the efficiency of the Department by having experienced men in the Enrolled grade.

If you were asked to recommend a new scheme of appointments to this Department what would you recommend?—I would suggest the abolition of some of the higher paid appointments ranging from Rs. 600 to Rs. 2,000, and would increase the number of appointments on smaller pay, say, Rs. 500 for routine work, half of which I would

The *President*—contd.

give to Chief Superintendents and half to well educated young gentlemen, who should work their way up as Probationers, members of the two classes being promoted alternately. It is advisable to have new blood in the Department now and then, and at the same time experienced men. From the Rs. 500 grade promotion should only be given to men who showed themselves qualified for higher duties than routine work.

In what grade do the Chief Superintendents usually enter the Department?—Some have risen from the Clerical Service; others from the Subordinate Accounts. Of course they have all to pass through the Subordinate Accounts Service.

How is the Subordinate Accounts Service recruited?—Partly by promotion from the Clerical Branch, and partly by nomination from other offices.

Who makes the nominations?—The Accountants General, but they are subject to approval by the Comptroller General.

The Hon'ble Khan Bahadur *Kazi Shahbudin.*

You have had nothing to do with the preparation of the Budget?—No, but I know the rules.

Who supplies the information from which the Budget is prepared?—We get ready prepared Budgets from the District Officers. They are reviewed carefully by the Accountant General, as already explained by me.

Is any part of the Accountant General's office responsible for cash transactions?—We make *cash* payments to a certain limit to officers serving in the town of Bombay.

On abstracts and bills proposed by the recipients?—Yes. To a certain limit the payment is in cash, and beyond that limit by cheques issued on the Bombay Bank. The officer who makes these payments is the officer in charge of the Pre-audit Department, who is one of the gazetted Assistants. He signs the cheques.

The *President*—concld.

The Department has large cash transactions with the Banks?—Not quite in *cash*, but by transfers by bills drawn on Treasuries or other Presidencies.

Mr. *Nulkar.*

Seeing that the items of revenue and expenditure in the Budget are based on the reports sent in by local officers, do you mean to say that they are revised in your office? For instance, would you revise an Abkari revenue statement prepared by the Abkari Commissioner?—We should ask for any explanation that was required. The Budgets are chiefly reviewed by the Accountant General.

From such information as he has?—Yes.

Why are you afraid that in a free and unlimited competition Europeans would not succeed?—There would be a good deal of cramming; and as Natives are more prone to cramming, they will certainly get the best places.

Could not the examinations be conducted so as to prevent cramming?—I think you cannot prevent cramming. I don't suppose any system of examination can overcome the difficulty satisfactorily.

Not by insisting on higher qualifications?—I do not think Europeans would have any chance in an examination held in India.

Mr. *Fernandez.*

Do you see any reason why the Account Department should not be recruited from the Revenue Service Officers?—It would be a very good thing if we could have some Deputy Collectors in the Department. They would be found very useful.

Can you say whether European Superintendents are better than Natives?—Some of our European Superintendents are very good, and some of the Natives are also. Of course there are exceptions both amongst Europeans and Natives. As a rule, they all work very well in the Department.

The *President.*

Have you anything further to add?—No.

WITNESS No. XXII—*10th July 1887.*

Examination of J. W. H. SANDELL, Esq., Chief Superintendent, 1st Class.

The *President.*

J. W. H. Sandell, Esq.

Are you a European born and educated in Europe?—Yes.

When did you enter the Service?—In 1862, and left it again and returned to it in 1868, since when I have been continuously employed in it. I entered it first of all as a temporary Bookkeeper. The accounts were several years in arrears, and I was engaged to write them up. I left because I did not get a permanent appointment to my liking. When I returned to the Department in 1868, I got an acting appointment, and in 1869 I received a permanent appointment in the Punjab office as 1st class clerk at the bottom of the Subordinate Accounts Service. I was subsequently transferred to the North-West as Superintendent for a year, and then I returned to the Punjab. After a few

The *President*—contd.

years in the Punjab, I went to Assam as Chief Assistant, having been specially selected to help the Comptroller to start the new office in 1874; whilst in Assam I acted three times as Comptroller (once for 4½ months), and in 1881 I was transferred to Bombay.

How came it that you were so frequently transferred?—On promotion chiefly. I made friends with my superior officers, and they wanted me to follow them. My last transfer (that to Bombay) was made by the Government of India. My present salary is Rs. 600 rising to Rs. 800. I am Chief Superintendent, 1st class, the only one in India.

The Chief Superintendents are not now members of the Enrolled grade?—No; we are a separate

The *President*—contd.

cadre, the promise made to us by Government in 1862 not having been fulfilled.

There was a change of system then?—Yes. For 11 or 12 years there was no promotion from the Subordinate Service to the Chief Superintendents.

The pay of the higher grades of Chief Superintendents is higher than that received by Enrolled Officers in the lowest grade?—Yes.

Will you kindly give us your views as to the organization of the Department?—We do not want an Enrolled list at all. We have a new service organized a few years ago, called the Subordinate Accounts office, consisting of selected men from the Clerical staff admitted on account of their aptitude in accounts. They are a large staff in India, consisting of 146 men; and if they cannot officer the Department, the Financial Department cannot be officered at all. Young men brought in fresh from school and knowing nothing of accounts only obstruct the work.

To what officers is the first audit entrusted?—The work is done by the clerks, of whom some are in the Subordinate Accounts Service and the others in the Clerical staff.

Who review the audit?—The review of audit is performed by the Superintendents, all of whom are in the Subordinate Accounts Service, and by the gazetted staff, from the Deputy Accountant General downwards.

The Deputy Accountant General, the Assistant Accountants General, and the Chief Superintendents finally pass all the work of their Departments, except that which the rules require should go to the Accountant General for orders.

You have worked a great deal with Natives in the Department?—Yes.

The greater number of the officers in the Subordinate Account Service are Natives?—Yes. The Clerical staff is chiefly Native. I believe, if you use the expression in the statutory sense, the whole of the Subordinate Account and Clerical staff are Natives. Taking all India together in the Subordinate Accounts Service, rather more than half are Asiatic Natives. In the Subordinate Civil Accounts, there are 6 non-domiciled Europeans, 14 domiciled Europeans, 40 Eurasians, 89 Hindus, 1 Mahomedan, and 2 Parsis.

You have seen a good deal of the work of the different classes employed?—Yes.

Do they all work pretty equally well?—Natives, I think, do their work personally as well as anybody; they are not so good in working a branch. By personally I mean that they do their own work thoroughly, but do not drive the machine so well. They do too much of themselves. For steadiness and application they are not surpassed. We had an instance of this in a Superintendent in the Budget Department who died last year, and practically the Budget Department died with him.

Are you thrown a good deal in contact with the Accountant General?—Yes. In addition to

The *President*—contd.

the Department entrusted to me, my duties include the general supervision of the establishments, which work brings me much into contact with the Accountant General. I am also one of the outside auditors, and see him often in that capacity.

Do you see a good deal of the work done by the Accountant General?—Yes.

Does it involve any financial knowledge as apart from accounting knowledge?—Decidedly it does.

In what particulars?—I should say that a Civilian with a good acquaintance with district work was better qualified for that position than a man who has worked up through the office. He is generally an officer who has had judicial work, which is a great help to him in interpreting the Codes.

Is it necessary that the Accountant General should have been trained in the branches of the Department which are committed to members of the Enrolled grade?—I think it is desirable.

How long should he have been so trained?—Not very long—2 or 3 years.

Do you consider that pure audit and account work is work which requires considerable special training?—I think so, and that is why I say the men who do that work should be recruited from the Subordinate Accounts Service. It requires practical and methodical duties and accuracy.

It also requires a thorough knowledge of the systems of account?—Yes.

As outside Auditor is it your duty to advise the Departments whose accounts you audit as to the forms in which their accounts should be kept?—Not necessarily, but in Bombay suggestions have been made by myself and fellow Auditor which have generally been gladly accepted by the offices audited.

Does not the form in which they are kept conduce very much to the accuracy or otherwise in which they are kept and to facility for reference?—Yes.

In the course of your outside audits have you seen much of unofficial auditing?—Yes.

Was it satisfactory?—Not always. An unofficial audit never can be quite satisfactory in my opinion, because Government audit is a continuous audit, and the Auditor is not hampered with the consideration that the fee is incommensurate with the time expended on the audit, or the apprehension that any remarks he might make might give offence and deprive him of the work on a future occasion; and because the Government Auditor had the benefit of assistance in the Department, and would neither make an ill-considered objection nor pass a doubtful item without consulting a colleague and his official superior.

You consider that one of the best ways of manning the Department is to bring in men to the Subordinate Service and promote them?—Yes.

How would you fill the Presidency Paymastership?—Either by one of these promoted men or a junior Civilian.

The *President*—concld.

Would one of these promoted men be competent to fulfil the duties of the appointment?—I have had charge of the Department myself, and I am one of these promoted men.

Have you had experience of Natives in that particular Department?—Yes; I know Mr. Ray. He did his work very well.

Would promoted officers perform the duties of the Currency Department satisfactorily?—Our knowledge is not so useful there. A Treasury Officer or a young Civilian would do as well for that Department as anybody.

What would be the advantage of having a young Civilian?—His revenue and judicial training.

With regard to Accountant Generalships?—I think they ought, as a rule, to be held by Covenanted Civilians, because the promoted men would not, except in very exceptional cases, be of sufficiently high social standing.

The Hon'ble Khan Bahadur *Kazi Shahbudin.*

Why not?—The position of a Covenanted Civilian in India is distinct in itself, and no Uncovenanted man could secure that position.

Are you aware that many of the Judges of the High Court are Uncovenanted men?—Yes, but they are Judges of the High Court, and they belong to the legal profession.

You say Natives are not generally so efficient as supervisors. Have any yet been appointed to supervising posts and failed?—Yes. I have known many such cases here and elsewhere.

When they were men whose nominations had been made after careful selection?—Yes, most careful selection.

Most Treasuries are in charge of Deputy Collectors who are Natives; what are their shortcomings?—They do not understand the rules of our Department or work their men so well as Europeans do. I am now referring only to the Presidency proper. There are in Sind three excellent Treasury Officers, of whom two are Hindus and one is a Goanese. I do not know why these officers are so much better than Treasury Officers in Bombay, but I can say that my opinion is shared by Mr. Bedford, the Chief Superintendent, who inspects Treasuries.

How long have you been in the Bombay office?—Six years.

How many instances have you known of the failure of Natives in posts of supervision?—Three or four in Bombay.

Were the men removed in consequence of their failure?—No.

Mr. *Nulkar.*

Do you say that District Treasuries are not properly managed by Deputy Collectors and Accountants?—There is certainly room for very great improvement.

Has that been pointed out by your Department to Collectors?—Oh, yes, constantly.

Mr. *Fernandez.*

Are you aware that Deputy Collectors have other duties besides accounting?—Yes; it is one of the defects of the system, but we have no such things as Treasury Officers properly so called. The remedy I would suggest for this defect is sending out men from the Department to Treasury offices, if it could be managed, and taking them back again in a higher grade; but I believe such a remedy could not be applied in practice.

The *President.*

Have you any other observations to offer?

[The witness read the following Note.]

The chief point upon which I wish to give evidence is the want of consideration shown in the present rules of the Financial Department to the claims of the subordinate grades in our several offices of Civil Account. As the rules now stand, an officer who enters the "Clerical Staff" or the "Subordinate Accounts Service" of any of the offices may possibly rise to the position of a Chief Superintendent, but no matter how well he may be qualified for such an appointment by his education or ability as an Accountant, or by his local knowledge and experience, he cannot enter the Enrolled list, which, with the exception of three or four appointments reserved for the Civil Service, is entirely recruited by youths of inexperience—in other words, by young men of education no doubt, but of no proved merit or ability as Accountants or Auditors. Before the Department was first organized in 1862 (see Resolution No. 84, dated 13th May), the principal appointments were reserved for members of the Covenanted Civil Service, but a considerable number of well-paid offices were held by Uncovenanted men, who in the lower grades of the different offices had shown an aptitude for account or audit work. In 1862 there were apparently eleven such appointments, *besides* the officers drawing less than Rs. 700 a month. All these men and the Civilians then employed were included in the Enrolled or Classified list in the three upper classes, while a 4th class was formed of the "junior grades in the Central office at Calcutta "and the Chief Assistants in the principal local "offices," and it was stated that, "as a rule, "every one should serve for a certain time in this "class (*i.e.*, class IV) in the Central office at "Calcutta, so as to be instructed in the system of "Accounts and Budget Estimates;" and further that, "in addition to these established classes, "there will be a class of apprentices or proba-"tioners, at salaries not exceeding Rs. 250 a "month, consisting of youths who will be taken "on trial, and from these the established classes "will be principally recruited as vacancies occur." This order led to considerable alarm in the different offices, as it was thought that all the offices would be shorn of their prize appointments, and that in future none would be able to rise to these unless they were fortunate enough to be appointed to the probationary class at Calcutta. I was in the Punjab at the time these orders were issued, and I well remember the strong feeling of dissatisfaction which existed among the senior men of that office. Representations were, however, made to the Government of India, and a most comforting assurance was given that everybody had mistaken the scope of the orders. The Resolution No. 6G., dated 29th August 1862, is

The *President*—contd.

not given *in extenso* in the collection of papers lately printed by the Government of India, but was published in the *Calcutta Gazette*, dated 30th August 1862, and it was as follows: "His "Excellency the Governor General in Council "observes that a general impression seems to "exist that the prospects of clerks will be "injuriously affected by the Resolution of last "May, and that they will no longer be eligible "to the higher posts to which they have hitherto "looked forward. This impression is erroneous. "All the clerks who may be able to qualify "themselves for higher employment will continue "to possess the same title as hitherto to such "advancement as they may deserve. The Chief "Assistants in the several offices are all admitted "into the classified grades, and the Resolution "provides that the report of the head of the "office in which a vacancy occurs shall be consi-"dered before such vacancy be filled up. It will "thus be in the power of the head of an office "to recommend any of his clerks for promotion "to the Chief Assistantships and for admission "into the classified grades."

This very clear promise was, however, a dead-letter almost from the time it was made. This serious allegation is one which I should not feel justified in putting forward on my own responsibility, though it agrees with my recollection of matters; but I can refer the Commission to the high authority of the late Comptroller General, Mr. E. F. Harrison,—*vide* paragraphs 11 and 12 of his letter No. 1711, dated 14th March 1877 (page 36 of the collection of papers). There can, I think, be no doubt that the non-fulfilment of this promise has had a most disastrous effect on the Account Department. Shorn of all its chief prizes, it became one of the least attractive of all Departments instead of one of the most attractive, and the *personnel* of the office establishments, no doubt, deteriorated in consequence, while the Gazetted staff certainly did not improve. To quote from Mr. Harrison: "Instead of men of "great experience as Superintendents of the "principal sections of their offices," the Accountants General were given "mere beginners," and I may venture to add that, instead of the Superintendents being able to refer for advice and guidance to Gazetted Officers of greater experience than themselves, they have had their onerous duties increased by having to explain abstruse technicalities to these "mere beginners;" in other words, to act as their tutors.

However, in 1880, when it was decided to again reserve the appointment of Accountant General for the Covenanted Civil Service, a partial restitution was made to the Subordinate Service by the creation of a new class of Chief Clerks, or, as they are now called, Chief Superintendents; the restitution was, however, a very partial one, as only eight appointments were created against thirty-five (or more) taken away in 1862; and these eight offices are outside the "Enrolled list," quite contrary to the promise of August

In 1865, after the amalgamation of the Audit and Account offices, the Department stood thus:

Class	I ...	5
„	II ...	7
„	III ...	5
„	IV ...	11
„	V ...	24
		52
Civilians in 1862	...	17
Uncovenanted	...	35

The *President*—contd.

1862, that if an officer on the recommendation of the head of his office was appointed Chief Assistant, he was also to be admitted into the classified grades (now called the Enrolled list), and could rise to the maximum of class I (Rs. 2,000), if thought fit for such advancement. While under the rules of 1880, the maximum to which a Chief Superintendent can rise is Rs. 800; and however efficient an officer may be who has risen to this point, he must expect over and over again to be superseded by youthful students from school as part of the recognized system of his Department; for to quote from paragraph 17 of the orders printed at page 62 of the selection of papers: "Without the previous approval of Her Majesty's Government, no one who is not a Covenanted Civil Servant will be admitted to the Enrolled list otherwise than as prescribed in paragraph 24"—that is, by nomination under the age of 25 for a competition with two other youthful nominees. When first organized in 1862, the Department was divided into two main divisions—

1st—Clerks doing the routine or mechanical work.

2nd—Assistants either doing or in training for doing the more important and responsible works. But these divisions have since been sub-divided until we have no less than five divisions:—

1st—The Clerical Staff.

2nd—The Subordinate Accounts Service.

3rd—The Chief Superintendent.

4th—The Enrolled List.

5th—The Reserved Appointments for the Civil Service.

The Clerical staff is, subject to an educational test on first appointment, under the patronage of the head of the office, and so, too, is the "Subordinate Accounts Service"; but each appointment thereto is required to be made on six months' probation, and to be reported to the Comptroller General with the reasons for the selection made, and a confidential report is annually sent to that officer regarding each member of the Service (C. A. Code, Chapter 79, Rule 28). The Chief Superintendents are selected from the "Subordinate Accounts Service" somewhat in accordance with the promise made in 1862; they are gazetted, and, being generally men of great experience, they are called upon to perform duties more onerous than those entrusted to any but the most experienced Enrolled Officers.

The work of the Account Department is of a highly technical character, and cannot be properly performed by inexperienced officers; and now that we are securing the services of a better class of men for a selected "Subordinate Accounts Service," into which senior clerks of no great promise are not allowed to enter by reason of their seniority, there is no necessity for superseding the members of this Service by introducing "Probationers" for recruiting the Enrolled list. The proper place for introducing young men of education and of no experience is, in my opinion, the bottom of the "Subordinate Accounts Service," which would then be able to recruit all offices in the Department which are not reserved for the Covenanted Civil

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The *President*—contd.

Service. An officer appointed to the "Subordinate Accounts Service," whether by nomination or selection from the Clerical staff, would then be trained in a most effectual manner for the work he is required to do. He would, first of all, perform the duties of a senior clerk; then those of a junior Superintendent, if he showed any aptitude for such work, and acquired the necessary technical knowledge. He would no doubt rise to be a senior Superintendent, and when thought fit for the independent work of a Gazetted Officer would be recommended by the head of the office for the post of Chief Assistant (or Superintendent) in accordance with the promise of 1862, and would be able to rise to any position in the Department for which he was considered fit.

The higher offices of the Department, such as the Accountant General, should in my opinion be held either by exceptionally good men selected from the Enrolled list or by Covenanted Civil Servants. The training which the Civil Servant receives in the Revenue and other Administrative Departments is no doubt most useful to any one employed at the head of an Accounts office, and will always give a Covenanted Civil Servant a great advantage over an Enrolled Officer, particularly over one who has not been trained as a Superintendent, or who has not had the advantage of being deputed on Treasury inspection work; and I think in arranging for the future officering of the Department, there is no necessity to continue to supersede trained and experienced Superintendents by "mere beginners" on the theory that these young men must hold a higher social status than an *ex*-clerk, because at some distant future time the "beginner" may be raised to the position of an Accountant General.

It may perhaps be asked whether the present members of the "Subordinate Accounts Service" are fit for the gazetted appointments which would

The *President*—concld.

be open to them if the Enrolled list ceased to be recruited by "Probationers" placed over the heads of the Chief Superintendents. The question seems a fair one, and may, I think, be answered in the affirmative. It must be remembered that the demand on the Service will be a very limited one, amounting, perhaps, to one or two officers per annum, and I believe it is quite capable of meeting such a demand, it having since 1880 furnished approved men for the new appointments of Chief Superintendents, now twelve in number; but it would be unfair to treat the present establishments as a fair criterion of the class of men which would be attracted to an open service. Our offices, one and all, have suffered from the crushing weight of 18 years of supersession, and are only now beginning to feel the advantages of the orders of 1880. The benefits of the "Subordinate Accounts Service" organization will not be fully realized until some of the senior men have retired, and the selected young men of good promise, who have been appointed during the last few years, gain more experience, and make their presence in the Department felt.

What is the average period which it takes a man who enters the Department at the bottom of the subordinate list to become a Chief Superintendent?—It varies. Sometimes it takes 20 years. It took me from 1869 to 1874; but then I was not a Chief Superintendent, but a Chief Assistant until 1881, when the title of my Assam appointment was altered.

Are Chief Superintendents appointed by selecon?—Yes.

Nowadays a man may pass through the Subordinate Service much quicker than he could formerly?—Yes.

Have you anything further to add?—No.

Sittings at Madras.

WITNESS No. XXIII—*9th August 1887.*

Examination of C. HALL, Esq., Chief Superintendent, in charge of the Presidency Audit Department.

C. Hall, Esq.

The *President.*

To what class do you belong?—I am a Statutory Native. I was educated in India. My father was a European in the local Army. At the time of his death he was Deputy Assistant Comptroller of Ordnance. I entered the Department in the late General Treasury, what is now called the Reserve Treasury. In 1860 I was transferred to the Accountant General's office as Deputy Manager in the Revenue Department on Rs. 100. In 1862, when the Accountant General's office was organized, I was Uncovenanted Accountant to the Public Works Department in that office, and was confirmed in that appointment in 1885. I am now in charge of the Presidency Audit Department in the Accountant General's office.

What do you think of the present constitution of the Department?—As organized in 1880, it appears to be very fair for all parties concerned. That organization has placed the Chief Superintendents in a grade by themselves.

Is it desirable to promote Chief Superintendents to the upper grades?—I think it would

The *President*—contd.

induce very good men to come into the Department. That is the only question that now seems to be agitating Chief Superintendents.

Would not a Chief Superintendent appointed to the lowest of the Enrolled grades suffer loss of pay?—Yes, and I am told that is the difficulty in the way of promoting them.

Does the work done by the Assistant Accountants General differ at all from the work done by the Chief Superintendents?—No; the work I am doing now was formerly done by the Assistant Accountant General.

What do you think of the present system of recruiting the Enrolled grades; does it give the Department satisfactory men?—I am not in a position to speak with certainty, but I think the order of 1871 confines it to men who have passed a certain examination. So far as Madras is concerned, I am not aware that any man appointed to the Enrolled grade has been examined. I know

The *President*—concld.

that one Native entered the Enrolled grade by nomination.

How did he do his work?—Tolerably fairly; but he failed in his final examination, and had to leave the Department. He is now in the Revenue Settlement. Lately a Madras Native candidate has been one of the three examined for the Enrolled grade, but he was unsuccessful, and the appointment was secured by a Parsi gentleman.

Would you have a larger number of nominations for competition than three?—The larger the field of selection, the better.

Do you see any reason for limiting the number of Natives in the upper grades of the Department?—I do not think there should be an excess of Natives, but there should be a fair proportion.

Why is there any necessity for limiting the number?—Yes, because there are some officers who are frequently brought by their official duties in contact with Europeans, and it would be well that those officers should be Europeans themselves.

What appointments in the Accountant General's office of this Presidency would it be in your opinion undesirable to appoint Natives to?—The Accountant General and Deputy Accountant General should certainly not be Natives, because, having to deal with so many officers of different classes, the relations of that Department with other Departments would be more likely to be free from friction if these officers were Europeans.

Do you see any reason why the Accountant Generalship should be reserved for Covenanted Civilians?—I think the training which a Covenanted Civilian gets is of a higher and more varied kind than that of an officer in the Account Department. He usually travels about districts and goes into different Departments, and thus is perfectly acquainted with many details which as Accountant General are of great use to him.

Would you never appoint members of the Enrolled grades or Uncovenanted Civilians to this office?—I think exceptional officers might have the privilege.

Mr. *White.*

Are not the Chief Superintendentships at the present time reserved for Natives of pure Asiatic parentage?—I do not think so.

While you have been in the office have any Eurasians been appointed to the higher Enrolled offices?—Yes; in 1875 the Chief Assistants in the different offices were put into what in 1880 became the Enrolled Service.

Mr. *White*—contd.

They were transferred to the Enrolled grades?—Yes; there were only acting appointments and not permanent.

How are officers selected for the Accountant General's office?—Prior to 1859 the officers were all Covenanted men; in 1859 an Uncovenanted Officer was sent as Assistant Accountant General to the Punjab; in 1865 a Chief Assistant became Assistant Accountant General: that gentleman was not a Native of India; in 1869 a 1st class Superintendent was appointed to that post.

Were not all these gentlemen Eurasians?—Not from here at any rate.

During the 27 years you have been in the Department have you received any commendation?—No special commendation that I know of. If there were any, it would be confidential.

It is a fact that you have never been put into the grades in which Europeans have been employed and have risen?—Yes.

Can you tell me whether by fixing the salaries of the Chief Superintendents above the salaries of the lowest of the Enrolled offices the intention was to impede or prevent the promotion of Chief Superintendents?—There is nothing in the rules to lead one to suppose so. They provide that the Governor General may appoint any one to any appointment he likes.

Mr. *Ramaswami Mudaliyar.*

Are there many Eurasians in the Accountant General's office?—No.

Has any nomination been made of a Eurasian to the Department since the order of 1882?—Not in this Presidency that I am aware of.

Mr. *White.*

Are you aware that any natural-born subject of Her Majesty may go to England to pass the examination for the Civil Service?—Yes.

Would you have a Zulu as Accountant General here?—If he were a fit person and a Covenanted Civilian.

You think that no race disqualification ought to apply?—Yes. The best man should get the appointment, no matter what his nationality may be.

WITNESS No. XXIV—*9th August 1887.*

Examination of H. S. GROVES, Esq., B.A. (*Lond.*), Assistant Accountant General.

The President.

Under what circumstances did you enter the Accounts Department?—I was born on the Nilgiris, where my parents had settled down for many years. With the exception of two years which were spent at a school at Ootacamund, I was educated entirely in England. I have passed both the Oxford and Cambridge (Senior) local examinations, taking high places in both;

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and for my success in the former was offered a scholarship of £80 a year for five years at Baliol College, Oxford, of which, however, I was prevented for special reasons from the availing myself. I competed unsuccessfully for the Indian Civil Service in 1869 and 1870, on the latter occasion standing 90th on the list: and I may add, as showing what various chances

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one has to contend with in this examination, that had I had the same competitors on the second occasion as I had on the first, I should have passed with ease, the general average of marks obtained being considerably higher in the one than in the other. In 1871 I completed my B. A. course at the London University, taking the degree with honors.

At the end of 1872 I started for India on the promise of a nomination for the Financial Department, and having passed first among nine competitors in the prescribed entrance examination was appointed Assistant to the Accountant General, Bombay, which appointment I joined in July 1873. After being a month in Bombay I was transferred to Lahore in a like capacity, and remained there for 18 months. I passed both the prescribed Departmental examinations within a year of joining. From Lahore I was retransferred to Bombay in April 1875, and from Bombay to Madras in July 1876. Here, with the exception of two months lately passed at Calcutta, I have remained ever since (*reads*)—

In the course of my past service of 14 years I have had charge of nearly every department of the office in turn; and though I cannot pretend to a thorough knowledge of all the details of the work, I have, I believe, as much acquaintance with it as it is possible for an officer to have under the present system of appointment. I was for many years in charge of outside audits, that is, the audit of important *quasi*-Government accounts outside the office itself; as, for example, the Administrator General's, the Official Assignee's, the Government Press', &c., and in this capacity had to set in order or entirely to recast almost every set of accounts I took up. My reports, I may add, have on several occasions received the special commendation of Government. Though this work to be done well required an intimate knowledge of bookkeeping in its fundamental principles, I may say that I learnt far more of bookkeeping by the actual practice the work gave me than I should ever have learnt otherwise. Besides being Outside Audit Officer, I have also for nine months acted as Inspector of Local Fund Accounts—a most arduous and responsible appointment, which now comprises the supervision and inspection not only of Local Fund Accounts, but of the Special Fund and Municipal Accounts of the Presidency. While acting in this capacity, I drew up, at the request of the Accountant General, a scheme for the audit of both Special Fund and Municipal Accounts, which scheme with some slight modifications is now in operation. I have for several years been in charge of the Currency office, and from my acquaintance with the work was asked by the Accountant General to draw up a Manual of Currency Procedure for the guidance of the office, as nothing of the kind had previously been published: the Manual, which is now in use in the office, has received the approval of the Comptroller General. I have on several occasions acted as Deputy Accountant General; in fact, invariably up to the present time, whenever the office has been vacant, I have been the senior officer present. It was fully expected that I would now again be acting as Deputy Accountant General in consequence of

The *President*—contd.

the deputation of Mr. Clogstoun to Calcutta as Comptroller General. Government, however, have decided to bring an outsider, a Madras Civilian, into the vacancy, though the officer selected has never done a day's work in the Department before, and, whatever his abilities, is quite unfitted properly to discharge the duties of an appointment which requires, *more than any other in the office*, a thorough knowledge of the work to be supervised and long experience in the Department.

My reason for recounting my previous services is to show that though I had done well in the several departments of office work which I was called upon successively to supervise, and though I had already acted on several previous occasions in this very appointment, yet all these considerations were set aside because a "Civilian vacancy" has arisen; *i. e.*, *a Civilian belonging to the Department in another Presidency has taken leave*. On the part of my brother Uncovenanted Officers and myself who entered the Department with the fullest expectation of rising in course of time to be Accountant General, I feel bound to protest most emphatically against appointments such as these.

Turning now to the main question before the Commission, namely, whether the present constitution of the Department is satisfactory, and, if not, what would be the best mode of recruiting it in future, I have no hesitation in saying, as far as my opinion has any weight, that the present constitution or working of the Department is very far from satisfactory, and that for the following reasons:

(1) The setting aside of the claims of deserving Uncovenanted Officers, who, like myself, entered the Department under the conditions on which it was originally constituted, to rise to the highest posts in the Department, that of Accountant General included.

(2) The rule introduced in 1880 that a certain number of appointments, even in the Enrolled grades, should be filled by Covenanted Civilians, and that even in the case of the temporary absence of such Civilians on leave or otherwise outsiders should be brought in to act, though they had no previous acquaintance with the duties to be performed by them.

(3) The continued introduction of Uncovenanted Officers, for the most part European gentlemen, into the Department by a process of nomination and limited competition, when the appointments to be filled by them under the new conditions could be much more efficiently filled, as a rule, by deserving subordinates, Natives of India, in the Account offices themselves.

With regard to the first of the reasons assigned by me for the unsatisfactory state of the Department, it is obvious that to disappoint the expectations of a number of deserving officers cannot be for the good of any Department. The Commission are probably well aware, through reports published by Government, of the previous

The *President*—contd.

history of the Department and the changes introduced by the reorganization of 1880, so it will be unnecessary for me to go into detail. Suffice it to say that when the Department was formed in, 1862, after Covenanted Officers had been tried in several of the higher appointments, and found for one reason or other not to meet the wants of the case, a definite scheme was introduced for the officering of the Department through the whole of its grades, *the appointment of Accountant General not excluded*, by Uncovenanted Officers with a special aptitude for finance, and who would remain in the Department through the whole of their service, whereas Covenanted officers came in and went out as it suited their inclinations or fell in with their prospects of advancement. What I would lay stress upon is that Uncovenanted Officers were thus introduced as being more suited to the requirements of the Department through the whole of its grades than Covenanted Officers, and distinct hopes were held out to them of rising by good service to the Accountant Generalship itself. These expectations were rudely disappointed by a Resolution of the Government of India published in 1880, *declaring not only that an indefinite number of Covenanted Officers would in future be introduced into the Enrolled grades (as they were called) of the Department, but that Accountant Generalships would be reserved exclusively* for such officers. Against this Resolution I, in common with nearly the whole of the other Uncovenanted Officers who entered the Department under the old conditions, memorialized the Government, protesting against the injustice of such an order. The only reply I received, however, was that the Governor General in Council did not consider that I had "then" any ground for complaint whatever. The word "then" in this reply, if it meant anything at all, simply shirked the question at issue: for the ground of complaint was that my *prospects* in the Department were ruined, not that my *actual salary or position at the time* was affected. It appeared to me useless to move again in the matter, and I have therefore submitted to the decision without, however, in any way acknowledging its justice. I do not know whether it is within the scope of the Commission's enquiry to suggest remedies for grievances of this kind; but, if it is, I beg most respectfully to submit my case and that of my brother officers in the Department to their consideration. It has been admitted that by the above Resolution we have lost in *position*, but it is contended that we have not lost in point of *salary*. From a calculation made, however, I find that I have lost up to date upwards of Rs. 6,000 through the reorganization, and officers below me in the list proportionately more. It is not the loss of salary, however, against which I specially complain as the bringing in of Covenanted Officers into the Enrolled grades in *indefinite* numbers (for the Government refuse to pledge themselves as to the number to be thus introduced), and the complete bar put against our ever rising to be Accountants General. The loss of position is acknowledged, and it is immense. Are we to have no remedy for such loss? It is obvious that to inflict undeserved loss upon officers in any Department and disappoint their just hopes is not for the good of the Service, and must cause discontent and heartburning even in the most conscientious, interfering more or less with the efficiency of their work; while those who have no strong sense of duty will exert themselves only so much as will prevent their being dismissed or degraded. That the reorganization has had this effect already to a great extent I fully believe.

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Another reason I have assigned for the present unsatisfactory state of the Department—and it is connected to some extent with the foregoing—is the rule that there shall always be a certain number of Civilians (Covenanted) in the Enrolled grades operating to such an extent as to lead to the introduction of Civilians who know nothing of the work of the Department, even in temporary vacancies, when there are qualified Uncovenanted Officers available to do the work. This rule, which was introduced in 1880, is liable, I believe, seriously to interfere with the efficient working of an office, even as it has interfered already. I have instanced a case in point which has just occurred in this office: a local Civilian, who knows nothing of the duties of the appointment, is brought in to act as Deputy Accountant General, when I, who have acted on previous occasions and proved my fitness, am ready to do the work. I do not wish to draw attention to myself in any invidious sense. I simply mention the case as one strongly in point, and which is within my own knowledge. There is no reason why similar cases should not occur again, and, if the practice continues, it is unnecessary for me to point out that the efficient working of an office must suffer seriously. I have no objection to the introduction of Covenanted Officers into the Department considered abstractly, that is, so far as it does not interfere with the claims of Uncovenanted Officers who entered under the old conditions. On the contrary, I consider them the best and most suitable agency for officering the higher grades of the Department. But it seems indispensable to me, if they are introduced at all, that it should be on grounds of special fitness only, and that no officer should be put into any appointment requiring special knowledge and experience to start with (such as that of Deputy Accountant General) without having previously qualified himself for it by sufficient training in the office. It follows from this that if a vacancy occurs in such an appointment, and there is no Covenanted Officer already in the Department fit to take it up, or whom it may be convenient to send to fill it, the senior Uncovenanted Officer present, if he is fit for it, should be put into the post. This is simply fair play, and is not taking from Covenanted Officers anything they have a right to claim as their own.

My third reason for considering the state of the Department unsatisfactory is the mode of recruitment for the lower grades which still continues (I say advisedly *lower* grades, for practically the higher grades have been reserved for Covenanted Officers) by the introduction of outsiders, partly European gentlemen and partly Natives, through a process of nomination and competition combined. In saying this, I may be considered to be giving evidence against myself and all Uncovenanted men already in

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the Department. But before the reorganization Uncovenanted Officers were introduced in this way for the special purpose of fitting themselves for the higher grades, in which I hold most emphatically European gentlemen should, as far as possible, be employed; whereas since the reorganization the higher grades have been practically reserved for Covenanted Officers, and Uncovenanted men therefore have little or nothing before them but employment in the lower grades, for which I consider that Clerks and Superintendents in the Account offices themselves are by far the best fitted. My reasons for this opinion are threefold :—

(1) I have always considered and maintained that Natives of India, in the Statutory sense, should have a prior right over Europeans to all appointments in the Service (the highest not excluded) for which they proved themselves fitted, unless special circumstances in the case rendered it desirable for *State reasons* to employ Europeans. Clerks and Superintendents in the Account offices, therefore, being almost without exception Natives of India, have a prior right to be appointed to these grades unless sufficient reasons can be adduced for the appointment of Europeans (or of Natives in any other way),

(2) The introduction of Natives, *directly and at once*, into the Department by nomination and competition seems to serve no good object, as there is little doubt that men of some ability and qualifications will always be found in the ministerial grades of the Account offices themselves, especially if the inducement is held out to them of ultimate promotion to the Enrolled grades; while the work required of Gazetted Officers, in the lower grades at least, to be worth anything at all, renders previous experience of the details of office routine very desirable, if not indispensable; and this can only be acquired by actually working one's way up through the several ministerial grades. Of course there could be no objection to the appointment of Natives directly to higher grades of the Department if special reasons at any time rendered it necessary; but this should, in my opinion, be the exception rather than the rule.

(3) No special reason in my opinion justifies the admission of Europeans to the lower grades of the Department. The exceptional qualifications they possess are indispensable in the higher appointments, but I can see no necessity for them in the lower. Their antecedents, too, and previous training render the drudgery of the routine of the lower appointments peculiary irksome to them, and the work is attended to mechanically or not at all.

In 1880 the experiment was made of promoting deserving Superintendents in the office to a distinct gazetted grade, that of Chief Superintendent. The experiment, as far as I know, has worked well, and I see no reason against its

The *President*—contd.

extension, *i.e.*, why those now in the Chief Superintendent's grade should not fill the lower grades of the Enrolled Service itself (their pay extending, say, up to Rs. 1,000 a month). The Chief Superintendent in our office, for instance, is doing the very same work as I have done, and very similar work to what I am now doing, and I cannot pretend to the efficiency, so far as knowledge of work goes, which he possesses. I have, therefore, no hesitation in recommending that these grades should be filled in future by deserving and duly qualified Superintendents in the Account offices themselves. This will excite reasonable ambition in able men who have little to look forward to at present, and will at the same time, as I believe, promote the efficiency of the Department generally.

If the above views be accepted, the present mode of recruiting the Enrolled grades stands self-condemned, having in fact no *raison d'etre* to support it. The higher appointments (including, say, the appointments of Accountant General, Deputy Accountant General, and a few others) should, as I have already said, be filled by European gentlemen. It seems unnecessary to insist upon this, as a little thought will convince any one that other qualifications are required for such appointments than mere ability or experience in office work, however important or indispensable these may be. Tact, knowledge of the work, grasp of general principles, capacity to organize, power to command, promptness in action, these and other qualifications are indispensable to the efficient discharge of the duties of the appointments I refer to; and without wishing in any way to depreciate Natives, I cannot help thinking, and others with me, that such qualities are not, as a rule, to be looked for among them, but in European gentlemen.

It being admitted that the higher appointments should, as a rule, be filled by Europeans (I say *as a rule*, for even in this case I would not *absolutely debar* Natives), the present Covenanted Civil Service is unquestionably the best agency, provided arrangements can be made, as I have above explained, for Civilians to be thoroughly prepared for any important appointment before being put into it. The day has gone by when special technical knowledge, either of accounts or finance, was indispensable to the efficient administration of the Department. In the infancy of the Department this may have been necessary, and was the chief reason why a special European agency was introduced; but settled as our account system and procedure now are, the working of an office consists very much in adherence to fixed rules, and professional Accountants or Financiers have little or no scope for their abilities. As technical knowledge, therefore, is no longer necessary, the introduction of a special European agency for the higher appointments has also ceased to be necessary, and in the Covenanted Service we have an existing agency available which should always be resorted to when technical knowledge is not required.

In advocating, however, the introduction of Covenanted Civilians, and such only, into the higher grades, I would repeat what I have already said that this should not be allowed to

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conflict in any way with the just claims of Uncovenanted Officers, who, like myself, entered the Department under the old conditions and with the full expectation of rising in course of time, according to fitness, to the highest appointments of all. How this problem is to be solved I am unable to suggest; but it seems clear to any reasonable mind that Government should either fulfil the expectations raised and promises held out, or adequately compensate us for the loss, both immediate and prospective, which we have sustained.

Do you think we no longer require in the Account offices men who have received a thorough training as Accountants, who would be able, when occasion arose, to suggest such modifications in the accounts of Administrative Department as experience might suggest as necessary?—I do not think we want trained Accountants to that extent. I think myself that our system of account is now laid down on such lines that any Accountant of ordinary intelligence who has worked his way for some time through the office has had every opportunity of learning it. I do not think there is any room for improvement in the system, or that men of special skill are needed to work it; but I should certainly insist on their having a thorough knowledge of account, and my experience is that such knowledge is gained for the most part by actual work in our office. I think men of intelligence who have learned the system of account now in force in our office would be very soon able to adapt it to any new conditions.

You are in favor of bringing in outsiders to the Enrolled grades only in very exceptional cases?—I think that for the general work of the office many appointments might be equally well held by men who have risen in the office itself. We made the experiment in 1880 of introducing deserving Superintendents into the Chief Superintendent's grade; virtually they do exactly the same work as those who are included in the Enrolled list; and, judging from the results of our experiment, I do not see any reason for thinking that we need officers recruited in a special way for such appointments as those. My view has always been thus; but the Covenanted Service is an existing agency which we shall always have; and the intention of having such an agency I understand to be that, whenever duties can be suitably performed by it without undue expense to the State, we should employ this agency in preference to an Uncovenanted one. But of course there are various circumstances which render it impossible to employ Covenanted men in all the appointments in which they might be suitably employed. For instance, in the Accounts Department the pay has to be so adapted as to secure Covenanted men. It is found that Civilians in this Presidency at any rate are not attracted by the offers held out to them in the Enrolled list unless they enter at the top of that list, and many of them have told me that they would much prefer district work. I do not think it at all advisable that Covenanted Civilians should be brought in to any post in this Department unless they are prepared to learn the work promptly. It is not work of a nature to be efficiently done by a man who has undergone no

The *President*—concld.

real training, though, of course, much depends on the man himself as regards the length of training he will require. What has brought such discredit on the present recruitment of the Department is that many men have been brought in who would have been much better fitted for other work, but were brought in just because they were the sons of their fathers, or for somewhat similar reasons.

Where would you bring men in with a view to educate them for the Chief Superintendent's rank?—I would not lay down any restriction at all. If an able man entered low down in the office, say as a 3rd or 4th class clerk, and worked his way up by his abilities, as we have had men do, I would not at all debar him from the Chief Superintendent's rank. On the other hand, if there were promising men of the kind that now offer themselves, it would be worth while to put them in as 1st class clerks on Rs. 120 rising to Rs. 150.

Do you see any reason for making any race distinction between officers of the Department?—Not at all. My experience of Natives working in the office is that, though not by any means universally, they are generally wanting in three things, *viz.*, originality, energy, and power of command. As regards originality, they can master details very well, but cannot grasp principles; so that, if anything new has to be devised, they are generally totally at sea; they are unable to originate anything for themselves, though they are very good in learning. Next, they are wanting in point of energy; that is to say, if there is work to be done quickly, I have generally found that a European will do it twice as quickly as a Native. Natives are accustomed to go at a certain pace, and do very well as long as they are allowed to go at that pace; but if you urge them beyond that pace, either they find it impossible to do the work, or else they do it badly. I should be the last person to depreciate Native clerks, having so many excellent Natives in our office; but, speaking generally, their defects perhaps are those of race. I have noticed that others have experienced the same thing in their own lines. It may be that not having been employed as much as they might have been in certain appointments in which we expect just those qualities in which Natives are deficient, they have not enough energy to come to the front in the first place.

Mr. *Ramaswami Mudaliyar.*

Have you specially observed the work of Native graduates in the Department? Do you notice the same defects in them?—I should not like to speak positively about graduates, not having known a sufficient number to be able to form an opinion of them. I was referring to a very good intelligent class of Natives who are masters of their own work.

I believe it is only recently that you have employed graduates to any large extent?—It is only within the last 5 or 6 years perhaps.

So that you have not had time to draw any conclusion as to their capabilities?—No.

WITNESS No. XXV—*9th August 1887.*

Examination of P. V. KRISHNASWAMI CHETTAR, Esq., Superintendent, Accountant General's Office.

The *President.*

When did you enter the Accounts Department ?—I entered the service in 1870 as Accountant on Rs. 30. My present pay is Rs. 300 rising to Rs. 380. I do not consider that the method of recruitment for the Enrolled grades is quite satisfactory. I do not see on what grounds a man should be required to begin on from Rs. 200 to Rs. 300. Admission to that grade is to be by nomination followed by competition. If nomination is intended to bring in men of birth or education, all I can say is that with Rs. 200 to start with you will not secure men of birth, nor with limited competition men of education. Again, the examination has been conducted in such a place, that is to say in the Central office, that no Madras man has had a chance of success during the whole time that the scheme has been working.

Mr. *Ramaswami Mudaliyar.*

Do you know where the men are examined?—They are not examined in our office. It would be more satisfactory if each Accountant General were to take part in the examination and were to set a paper.

On what principle does the Accountant General make nominations ?—The Accountant General is never asked to nominate. I wish also to suggest that the Enrolled list should be open to men in the Subordinate Accounts Service, who should be permitted to compete at the examination for appointment to the Enrolled list.

The *President.*

Have you anything else to suggest?—No.

Section IV.—Written Evidence.

No. I—Note by E. W. KELLNER, Esq., Deputy Comptroller General, India, on the Pension and Leave Rules of the Uncovenanted Service,—dated 10th May 1887.

As requested, I submit the following memorandum on the Pension and Leave Rules of the Uncovenanted Service for the consideration of the Sub-Committee of the Public Service Commission:

PENSION RULES.

A history of the Pension Rules will be found in Appendices BI and BII of the Civil Pension Code, 6th Edition. The clauses of the present Pension Rules which, in my opinion, press heavily on the Uncovenanted Service are sections 67, 96, and 113—117.

2. *Section 67.*—Under this rule superior service by an officer whose age is less than 22 years does not qualify for pension, except in certain specified cases. This limit was fixed when the period of service required for pension was reduced from 20 to 15 years in the case of one-third pay pension, and from 30 to 25 years in the case of half-pay pension. It will be seen, however, from page 123 of the Civil Pension Code that the former limit of age was 16 years, and hence the new limit should be 16+5=21 years, the period of service required for pension having been reduced by 5 years. The difference of even one year is important in the long service required for pension, and I trust the rule will be amended accordingly.

3. *Section 96.*—This section allows a proportion of furlough to be counted as service for pension in the case of a small number of Uncovenanted Officers described in Schedule B of the Civil Pension Code; but the same or a similar allowance is granted to all Covenanted Civilians and Military Officers. Here also the present rule is illiberal as compared with the rules which preceded it. As stated at page 123 of the Civil Pension Code, the old rules allowed the following leaves to count as actual service, "(*a*) all leave taken before the Uncovenanted Service Leave Rules of 1856; (*b*) the following leave taken under the rules of 1856: two out of three years obtainable on medical certificate; leave subsidiary to leave on medical certificate; privilege leave; and leave on private affairs on half-pay; (*c*) leave during recess on half-pay granted to Native Surveyors in the Revenue Survey Department, Bengal, North-Western Provinces, and the Punjab." I think section 96 should be extended to all Uncovenanted Officers holding appointments included in Schedule A of the Civil Leave Code. In granting this concession, however, the Government may properly draw a distinction between furlough on medical certificate and furlough without it. To prevent abuses of the privilege, the furlough taken without medical certificate may not count as service for pension unless it is taken out of India.

4. *Sections 113 to 117.*—These rules regulate the grants of gratuity and pension, and their main features are as follows. If the service is less than 15 years, only a gratuity is given, except in the limited cases mentioned in section 114. If the service is 15 years and upwards, but less than 25 years, a one-third pay pension is allowed, subject to the limits of Rs. 2,000 and Rs. 3,000 per annum. If the service is 25 years or more, a half-pay pension may be sanctioned up to Rs. 4,000 and Rs. 5,000 per annum. These are called invalid pensions, and similar allowances are granted under the name of superannuation pensions. Retiring pensions are granted after 30 years' service up to the last-named limits. Rule 117 allows the prescribed limits of Rs. 2,000, Rs. 3,000, Rs. 4,000, and Rs. 5,000 to be relaxed in certain cases, and Rule 118 grants certain privileges in respect of the length of service required for pension to particular officers named therein. It is found that these rules act harshly in two ways, namely—(1) in denying a pension, when the service is less than 15 years; and (2) in placing a double limit on the amount of pension, such as Rs. 2,000—3,000 and Rs. 4,000—5,000. As regards this double limit, it is to be noted that a difference of a few rupees in an officer's average emoluments has the effect of reducing his pension, by Rs. 1,000 a year. The remedy for these hardships is a graduated scale of pension such as the Government has already sanctioned for the European Civil Engineers of the superior grades of the Public Works Department in the orders published at page 743 of the Supplement to the *India Gazette* of 19th April 1884. These advantages have been conferred on other officers of the Public Works Department in the orders to be found in page 478 of the *Gazette of India*, dated 20th December 1884, and it seems not too much to ask that a graduated scale of pensions may be granted to all Uncovenanted Officers of the Departments named in Schedule A of the Civil Leave Code. Besides the graduated scale of pensions granted in these orders, additional pensions beyond the sum of Rs. 5,000 a year are sanctioned for special officers, and this concession should also be extended so as to allow an Uncovenanted Officer whose half average exceeds Rs. 5,000 a year to receive an increased pension up to a maximum of Rs. 7,000 or £500 a year.

5. The following is the graduated scale of pensions sanctioned for the Public Works Department:

No. of years.	60th part average emoluments.	Subject to a maximum of Rs.	
10	20	1,000	On medical certificate.
11	21	1,400	
12	22	1,800	
13	23	2,200	
14	24	2,600	
15	25	3,000	
16	26		
17	27		
18	28		
19	29		
22 to 24	30	4,000	Without medical certificate.
25 and upwards	30	5,000	

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ADDITIONAL PENSIONS.

To those who have served three years as Chief Engineers or have been graded as such	Rs. 2,000 per annum.
To those who have served three years as Superintending Engineers	1,000

LEAVE RULES.

6. The first Leave Rules for the Uncovenanted Service were issued in February 1856, and will be found in the *Calcutta Gazette* of that month, pages 345 to 347. They allowed sick leave up to a limit of three years, of which two years might be continuous; but in this case further leave could not be taken until after an interval of two years. Leave on full pay could be taken for one month in each year, and leave on private affairs on half-pay for periods not exceeding six months, at intervals of six years' service. The leave allowances during sick leave and leave on private affairs were limited to "Rs. 6,000 (£600) per annum." As stated above in paragraph 3, portions of the leave taken under these rules were allowed to count as service for pension. The next set of rules was promulgated in orders dated 8th June 1863, and after undergoing various minor alterations now appear as Chapter X of the Civil Leave Code. These rules apply to Uncovenanted Officers generally; but there are better rules comprised in Chapter V, the benefits of which are given to "Uncovenanted Officers belonging to one of the classes enumerated in Schedule A, and appointed thereto by Her Majesty's Secretary of State, or with his particular sanction, or whose names are entered in Schedule B." According to page 144 of the Code, "the conditions precedent to the entry of the name of an officer in Schedule B were that (1) he was not of purely Asiatic descent; (2) he held substantively on the 31st January 1872 one of the offices described in Schedule A; and (3) his salary on the 10th February 1876 was not less than Rs. 6,000 a year." This distinction between officers in the same Department, doing the same work, drawing the same rates of pay, and subject to the same pension rules is felt to be a sore grievance by those who do not participate in the benefits of Chapter V of the Code. These officers are on a footing of equality with their more fortunate colleagues, except in the one matter of leave, and I accordingly beg to recommend that Chapter V be made applicable to all Uncovenanted Officers in the Departments mentioned in Schedule A of the Civil Leave Code, a copy of which is attached.

7. In connection with Chapter V of the Civil Leave Code, I solicit attention to the following inequalities which now exist in the case of those Uncovenanted Officers who are admitted to its benefits. As bearing on this point, I would bring to the notice of the Committee the following passage at page 58 of the Blue Book furnished to the Committee by the Financial Department of the Government of India: "It must be understood that it is a fixed regulation that the emoluments of the officers are not to be affected by the question whether they belong to the Covenanted or to the Uncovenanted Service." I submit that these inequalities should be removed. (*a*) Under section 59, the maximum furlough allowance of an Uncovenanted Officer in England is £800 per annum, while the maximum of a Covenanted Officer under section 58 is £1,000 per annum. (*b*) The maximum subsidiary leave allowance of an Uncovenanted Officer under sections 59 and 70 is Rs. 666-2-3 per mensem, while a Covenanted Officer can draw half average salary. (*c*) The amount of furlough "due" to an Uncovenanted Officer under sections 47 and 49 (4) is diminished by the furlough and special leave he has already enjoyed; but in the case of a Covenanted Officer "special leave" does not count against furlough "due." This reduces the total furlough admissible on allowances to an Uncovenanted Officer under section 47 by six months, as compared with that admissible to a Covenanted Officer.

8. As stated above in paragraph 6, Chapter X of the Civil Leave Code applies to "Uncovenanted Officers generally," and are suitable for the lower grades of the Service. I would, however, draw attention to sections 130 to 132, under which an officer has to elect between leave on private affairs and furlough, as he cannot have both, or exchange one for the other. Further, furlough is limited to two years in all, the first instalment being due after ten years' service, and the second instalment after a further service of eight years. I submit that (1) leave on private affairs should not cancel claim to furlough, provided the total period of two years is not exceeded; and (2) furlough should be made available in smaller instalments and at more frequent intervals than is now allowed.

Schedule A of the Civil Leave Code.

By section 1 (*c*) the rules in Chapter V of the Civil Leave Code, and not those in Chapter X, apply (subject to specified restrictions in the case of particular rules) to any one of the following officers who does not belong to the Covenanted Civil Service or the Army, provided that he was appointed to his office by the Secretary of State or with his particular sanction:

General	... Officers holding substantive appointments, such as are usually held by Covenanted Civil Servants or Military Officers.
Land Revenue	... Officers of the Settlement Department above the rank of Deputy Collector or Extra Assistant Commissioner.
Forest	.. Assistant Conservators and officers of higher rank.
Customs	.. Commissioner, Deputy Commissioner, and Collectors of Inland Customs, Deputy and Assistant Commissioners of Sea Customs.
Opium	.. Sub-Deputy Opium Agents and officers of higher rank.
Post Office	.. Presidency Post Masters, Chief Inspectors, and officers of higher rank.
Telegraph	.. Assistant Superintendents and officers of higher rank.

Administration	... Assistant and Under-Secretaries to Government; Superintendent of Government Printing, Government Central Press, Calcutta.
Survey (Trigonometrical, Topographical, and Revenue.)	... Assistant Superintendents of Survey and officers of higher rank.
(Geological)	... Officers on the graded list
Financial Department	... Officers of the sixth and higher classes.
Indian Museum	... Superintendent and Deputy Superintendent.
Mint	... Assistant to the Mint Master, Bombay.
Judicial	... Judges of the Chief Court of the Punjab (not being Barristers), Judges and Registrars of Presidency Small Cause Courts, Civil Judges in Oudh, Magistrates of Police in Presidency Towns, Registrars of High Courts.
Registration	... Inspector General of Registration.
Police	... District Superintendents and officers of higher rank.
Marine	... Port Officers, Deputy and Assistant Port Officers, and officers of higher rank
Educational Department	... Officers on the Graded list.
Medical	... Uncovenanted Medical Officers graded by the Notification in the Financial Department, No. 2295, dated 25th April 1867.
Political	... Assistant Political Agents.
Public Works	... Assistant Engineers of the 3rd grade and officers of higher rank; Assistant Examiners of Accounts and officers of higher rank; officers of the Superior Revenue Establishment of State Railway.

No. II—Note by A. H. ANTHONY, Esq., Deputy Accountant General, North-Western Provinces and Oudh.

A. H. Anthony, Esq.

I enclose herewith the note I promised to draw up on the history and the past and present constitution of the Financial Department.

The quotations adduced in support of its statements have, with only one exception, been taken from a printed "collection of papers relating to the methods of selection for gazetted appointments in the Financial Department of the Government of India," which was made over to me a day or two before my examination by your Committee, and of which, I presume, the Committee also must have been furnished with copies. Many of the documents, moreover, from which I have quoted were public property years ago. I trust, therefore, that these considerations, coupled with the facts that the note has been drawn up at the invitation of yourself, a member of the Civil Service Commission, and with the knowledge and without the disapproval of my superior officer, the Accountant General, will be sufficient to remove from me any suspicion of breach of confidence. If not, may I beg the favor of your destroying the note?

In case it should be regarded as savouring too strongly of a grievance statement, I may explain that I have not intended to make it one; but the note, I thought, would be useless unless it compared the intentions and promises of Government, with their outcome in the actions of Government; and in this comparison the main grievance of the Uncovenanted Servants in the Department could not but make itself evident.

I have, at least, not introduced any *personal* matter into it.

Note on the Financial Department of the Government of India.

The first regular organization of a Financial Department took place in 1862, and had for its main objects the training up of a body of officers to succeed as vacancies occurred to the peculiar duties attaching to the office of Accountant General; to increase the efficiency of the Department without increasing its cost, by reducing the maximum pay of an Accountant General from Rs. 3,000 to Rs. 2,000, and to widen the field of selection for this post by throwing it open to Covenanted and Uncovenanted Officers alike.

2. For 18 years the Department was managed professedly on these principles; all distinction was set aside between Covenanted and Uncovenanted Officers entering the Department after May 1862, and it was distinctly contemplated *not* to reserve the Accountant Generalships exclusively for Covenanted Civil Servants (*a*).

3. The assurance of the abolition of all distinction between Covenanted and Uncovenanted Officers was repeated once in the same year (Government of India, Financial Department, Resolution No. 69, dated 29th August 1862), and at least three times in the three subsequent years (*b*), and was for 15 years, with only one exception, rigidly observed. In 1873, a Covenanted Officer was appointed to the Department on the special terms that obtained before 1862; and on a protest being raised, the Uncovenanted Officers in the Department were informed that the circumstances of the case were altogether special; that only one such appointment had been found necessary in 11 years; and that the Governor General in Council did not "consider it likely that it will often be necessary to appoint to any office in the Department any one who is not an Enrolled Officer of the Department."—(Government of India, Financial Department, Resolution No. 2163, dated 12th April 1876, paragraph 12.)

4. Since 1877, however, no less than 17 Covenanted Officers have at various times been introduced into the Department on terms and conditions not open to Uncovenanted Officers, and eleven of these have remained in it. And these introductions have *not* been made because efficient officers were not obtainable under the mode of recruitment (*viz.*, by limited competitive examination) that has been in force since 1871, for the Government of India have themselves testified to the contrary (*c*), and declared that in 1876 the Uncovenanted Officers of the Department were the *only* officers qualified to succeed to the Accountants Generalship then about to be vacated (*d*). Yet only *one* Uncovenanted Officer has hitherto obtained such a post substantively.

5. The systematic supersession of Uncovenanted Officers by Covenanted began in 1877, and by the time the reorganization scheme of 1880 was issued six Covenanted Officers (*e*) had been appointed to fill the higher vacancies, besides one Uncovenanted Officer, none of whom (except Mr. Barbour) had had any previous connection with the Department, or apparently any experience in financial matters. These officers were, however, introduced provisionally only, pending the reorganization of the Department.

India.

Accounts.

Section IV.

A. H. Anthony, Esq.

Mode of recruitment previous to the reorganization.

6. The ordinary mode of recruitment to the Department for the first ten years of its existence appears to have been simply by selection. A few trained officers were obtained from England, but the main body of selections was made from the subordinate grades of the several Account offices; and when the Currency and Account Departments were amalgamated, most of the Currency Officers who had originally been mainly recruited from the Subordinate Executive Service were absorbed into the Enrolled list. From 1872 to 1880 two ordinary modes of recruitment were observed, *viz.*, that of Europeans by competition among three nominees for each vacancy, and that of Natives by careful individual selection, either for academical distinction or other special qualifications.

The reorganization of 1880.

7. In November 1880, the long pending Resolution (No. 3577, dated 4th November 1880) reorganizing the Department was issued. It removed the Accountant Generalships from the Enrolled list, raised their salaries to the original maximum of Rs. 3,000, declared them tenable only by Covenanted Civilians, and reduced the offices in the Enrolled list open to Uncovenanted Officers from 60 to 38. All reasonable chance of substantive promotion to Accountant Generalships was thus practically taken away (*f*) from Uncovenanted Officers who had entered the Department with the distinct assurance that they would succeed to these posts, while 13 junior officers were thrown on the supernumerary list, and the promotion therefore of most of them was retarded by several years.

8. No compensation of any kind was allowed at the time for these manifest losses in position, prospects, and promotion, although the Secretary of State had enjoined the Government of India to "take care that the interests of *officers already in the Department* do not suffer, if they are efficient for the discharge of their duties"—*i.e.* (as the context shows), if they are not too old to be retained in the service. (Secretary of State's Despatch No. 233, dated 15th July 1880.) Six years after, three out of the many sufferers obtained personal allowances *without* retrospective effect. Three others, on applying for a similar consideration, were met with a prompt refusal.

9. This is the present state of the Department.

Mode of recruitment since 1880.

10. The ordinary mode of recruitment since the reorganization differs from that in force during the previous nine years only in single detail that Natives also have been subjected for entrance to limited competitive examinations exactly like Europeans, and that every third vacancy has been expressly reserved for them.

Reasons for freer introduction of Covenanted Civilians.

11. The reasons that have been urged in defence of this departure from the practice and pledges of 18 years are—(i) that the Accountant Generalships have by Act of Parliament been specially reserved for Covenanted Civilians; and (ii) that Uncovenanted Officers from the nature of their training can never hope to make efficient Accountants General.

12. The Act of Parliament referred to (24 and 25 Vic., Cap. 54) was passed in 1861, and does appear, *primâ facie*, to reserve the appointment of Accountant General ordinarily to Covenanted Civilians. But doubt has been expressed by officers, from the Secretary of State downwards, as to the precise aim and scope of the reservation; and it seems not unlikely from the wording of section 3 of the Act that its object was (the patronage of the Court of Directors having very lately been transferred to the Crown) to guard against unsuitable appointments from political considerations. Otherwise (it has been asked) why was the Financial Department organized on a basis opposed to the Act so immediately after the publication of the Act as 1862? Why has the organization of the Department, as then constituted, been so firmly upheld in all Financial Resolutions, and in the actual working of the Department up to the year 1877? Why have the Accountant Generalships in the Military and Public Works Departments *always*, and without exception, been filled by officers in the Military and Uncovenanted Services? Why has no complaint been made hitherto on the appointment of such officers? and it may be added, allowing the justice of the Civilians' interpretation, how far is the Act binding when the Secretary of State has placed his opinion on record that it might be avoided by a simple change in nomenclature? (*g*)

13. The second objection has been urged chiefly, if not entirely, by those Covenanted Civilians who have most benefited by the change of policy, and against it may be placed the repeated declaration to the contrary of the Government of India (*h*). The only alleged defect in the training of Uncovenanted Officers is their want of experience in the administrative business of a Province. If this is a defect, the remedy is obvious; but it may at the same time be pointed out that this is opposed to the opinion (*i*) of an officer deputed 30 years ago to enquire into and report upon this and other questions of a kindred nature, and one of the results of whose report was the organization of the Financial Department in 1862.

(*a*) "It is absolutely necessary, therefore, in framing any plan for the future organization of the Financial Department to proceed on the principle that all distinction between "Covenanted" and "Uncovenanted" Services must be set aside, except for a few of the very highest offices, as that of Financial Secretary, and that the salaries and constitution of the Department must be regulated with a sole view to efficiency, without distinction of service, profession, race, or religion.

Government of India, Financial Department, Resolution No. 84, dated 13th May 1862, paragraph 18.

"As it will take some years before a sufficient body of qualified Assistants can be trained up, the succession to the highest posts (more especially those of Deputy Auditor and Accountant General, which it is for many reasons important to fill by officers of weight and standing, as well as of ability and experience), will *for a long time* [not always] continue necessarily to be held by the Covenanted Officers now attached to the Department.

Ibid, paragraph 19.

"* * * the Resolution of 13th May 1862, by which the office of Accountant General was, under the title of Deputy Auditor and Accountant General, thrown open to the officers of the Department then constituted, whether they were Covenanted or Uncovenanted."—(Government of India's Despatch to Secretary of State, No. 141, dated 14th April 1876, paragraph 6.)

(*b*) "By the Resolution above mentioned [No. 84] all distinction between the Covenanted and Uncovenanted Service was abolished."—(Government of India, Financial Department, Resolution No. 3390, dated 25th July 1863.)

"The Hon'ble the President in Council observes that under the Financial Resolution of the 29th August 1862, the distinction between the Covenanted and Uncovenanted Service in the Financial Department was abolished."

Government of India, Financial Department, Resolution No. 5166, dated 16th October 1863.

"By Financial Resolution No. 84, dated 13th May 1862, and No. 69, dated 29th August 1862, the officers of the Financial Department below the Financial Secretary and in the Civil Department of Audit and Account were formed into classes in a Department under the Government of India with the same scale of pay in each class for Covenanted Officers appointed to the Department after 13th May 1862, and for the Covenanted Officers. *No change in this arrangement will be made.*

Government of India, Financial Department, Resolution No. 1205, dated 5th July 1865.

(*c*) As to European recruits * * * our present system (which has not, however, yet reached the higher Accountant Generalships, still officered by Civilians) *is working well.*"

Government of India Despatch to Secretary of State, No. 141, dated 14th April 1876, paragraph 3.

(*d*) As the officers in the Covenanted Civil Service who are now employed in the Department take their pensions, it will become necessary to promote the Uncovenanted Officers to the office of Accountant General. *They will indeed be the only officers who will possess the necessary training.* * * * * it will be desirable that the office of Accountant General should be omitted from the 3rd Schedule of the "Government of India Bill" now under Your Lordship's consideration, *and we recommend this omission.*"

Ibid, paragraph 7.

(*e*) Mr. E. F. T. Atkinson, Assistant Magistrate and Officer in charge of the North-Western Provinces Gazetteer.

Mr. T. W. Rawlins, Judge, Small Cause Court.

Mr. D. M. Barbour, Under-Secretary, Financial Department.

Mr. A. C. Tupp, Joint Magistrate.

Mr. H. F. Clogstoun, Sub-Collector.

Mr. S. Jacob, Assistant Magistrate.

Mr. J. E. O'Conor (Uncovenanted), an Assistant in the Revenue, Agriculture, and Commerce Department of the Government of India.

(*f*) " * * * the Chief Civil Account Officers in the larger Provinces, *who will hereafter be always Covenanted Civil Servants.*"

Government of India Despatch to Secretary of State, No. 380, dated 16th November 1880.

"We are unable to suggest any method by which the Government could retrace the step taken in 1862 (with no other object than the improvement of the public administration) without considerable increase to the cost of this branch of the administration, and without a manifest breach of the faith of the Government as pledged to the officers admitted to the Department under the Resolution of 1862, and the various later orders modifying the constitution of the Department."

Government of India Despatch to Secretary of State, No. 332, dated 18th September 1876, paragraph 8.

" Unless your Government sees any objection, the difficulty might perhaps be removed by providing that whenever a vacancy shall occur in that office, the title [Accountant-General, Punjab] shall be changed to that of Deputy Accountant General, thereby removing it from the reserved class. * *

Secretary of State's Despatch No. 445, dated 13th November 1879.

(*h*) One only need be quoted.

" We do not in any case think it necessary to reserve any of the offices of the Department permanently for the Civil Service, because we still consider that they can be, as a rule, filled more economically and with equal, or at least with sufficient, efficiency by a separate organization, such as now exists.

Government of India Despatch to Secretary of State, No. 332, dated 18th September 1876, paragraph 9.

See also foot-note (*d*).

(*i*) " I do not think the duties of a Mufasal Collector a good training for an Accountant General."

Sir Henry Rickett's report, page 41.

No. III—Note by LALA PRAKASH CHAND, Special Auditor, Accountant General's Office, Lahore.

Lala Prakash Chand.

I have been serving in the Account Department for the last 22 years. My present pay is Rs. 85 a month. As regards my conduct, character, or qualifications, I would not say anything, because my superiors know them well. My personal experience tells me that the best way to improve the Account Department is to promote the Natives who are well educated, and who have a very fair knowledge of accounts, to the rank of Superintendents, Chief Superintendents, and Assistant Accountants General, &c., instead of appointing Europeans. It is a well known fact that Natives as a rule understand accounts better than Europeans; for instance, if you go to the bazar you will find that the Hindu shopkeepers make their calculations mentally, which the Europeans and others cannot do without the aid of pencil and paper; and this, I presume, is because the Natives are generally vegetarians. The great object of giving higher appointments to the Natives is economy. Of course, when the Natives are not fit, those higher appointments may be given to the Europeans. But my experience is that the Natives can be more useful than others, because our native way of bookkeeping is more simple, precise, and short as well as cheap; because in account work memory is required; and the Hindus are famous for memory power, in support of which statement I quote Dr. Murray Mitchell's words: " Hindus use their memory certainly too much * * *"

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